

The Global Newspaper
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

Herald Tribune

Published With The New York Times and The Washington Post

Algeria	4.00	Dia	1.50	Italy	1.50	Japan	1.50	U.S.	1.50
Australia	2.00	France	1.50	Germany	1.50	Greece	1.50	India	1.50
Belgium	1.50	Spain	1.50	Sweden	1.50	Switzerland	1.50	Taiwan	1.50
Canada	1.50	U.K.	1.50	U.S.A.	1.50	U.S.S.R.	1.50	Vietnam	1.50
Czechoslovakia	1.50	Yugoslavia	1.50						

No. 31,888

ZURICH, THURSDAY, AUGUST 29, 1985

ESTABLISHED 1887

Kohl Reportedly Will Appoint NATO Aide to Intelligence Post

Bonn — Chancellor Helmut Kohl will replace West Germany's intelligence chief, who is under attack because of a growing spy scandal, with Bonn's ambassador to the North Atlantic Treaty Organization, Hans-Georg Wiese, government sources said Wednesday.

In an interview broadcast by West German television Wednesday night, Helmut Kohl confirmed his dismissal. The Associated Press reported, "The decision has been taken. Mr. Kohl has said, 'As a civil servant, I have to accept it.'"

He insisted that he had legitimate reasons for his handling of the case of Hans Joachim Tiedge, the top counterintelligence officer who defected to East Germany last week. "Unfortunately I cannot disclose the reasons that determined my actions," Mr. Kohl said. "This for me is a very bitter, painful experience."



Hans-Georg Wiese

Mr. Tiedge would be given early retirement.

In addition, sources in Bonn said that West German investigators were looking into a new case involving the close friend of a counterintelligence official.

They said the official reported that while on a joint vacation in Austria the friend introduced him to an East German agent, who had tried to persuade him to defect.

The West German alerted the Austrian police, and later both the friend and the East German disappeared.

The sources, who said the case was being taken very seriously, would not name the people involved. They indicated that the incident took place this week.

Apart from the defection of Mr. Tiedge, the West German espionage scandal has involved the exposure of four suspected East German agents in Bonn, two of them



Police in Athlone attack protesters preparing to march on Pollsmoor Prison.

Police Scatter Mandela Protest In Cape Town

Cape Town — South African police and troops clashed repeatedly Wednesday with black protesters around Cape Town, blocking groups that were trying to march to the prison where Nelson Mandela is held.

A spokesman for a clinic in Crossroads shantytown said one man had died and about 50 were treated for injuries, most caused by buckshot. Cape Town police said 29 people were detained, and witnesses said they included leading churchmen, university lecturers and students.

According to another report, four blacks were killed and seven police officers injured in clashes in the township of Gugulethu.

Seven other persons were arrested when they linked arms in a silent protest outside Pollsmoor.

About 5,000 white students were stopped from marching from the white campus of the University of Cape Town toward Pollsmoor.

Mr. Boesak, head of the World Alliance of Reformed Churches and a founder of the United Democratic Front, was arrested Tuesday after urging marchers to turn out for the Mandela demonstration.

Deputy Foreign Minister Louis Nel said he was arrested under security laws that permit indefinite detention. He said Mr. Boesak, who was taken to Pretoria, could be held incommunicado for renewable periods of six months.

Mr. Boesak's detention was condemned by the United States, France, Sweden and the World Council of Churches.

Meanwhile, the way appeared clear for foreign ministers of Italy, Luxembourg and the Netherlands to visit South Africa on Friday. Foreign Minister R.F. Botha said he received an assurance from the European Community that it did not claim the right to suggest solutions for South Africa's problems.

The two-day fact-finding tour had appeared threatened when Mr. Botha questioned the motivations of the EC delegation.

But he said Wednesday that Foreign Minister Jacques Poos of Luxembourg had assured him that the EC would not propose "formulas or time scales" for resolving South Africa's problems.

President Pieter W. Botha, on a rare visit Tuesday to black townships in the eastern Cape, said the government had not yet unleashed all the force at its disposal to deal with unrest.

(Reuters, UPI)

Pretoria Seeks Huge Cash-Gold Swap As Many Banks Call in Their Credits

Johannesburg — South African central bank officials were reported Wednesday to be attempting to work out a huge gold-for-currency swap to stabilize the rand and meet a flood of loan calls from international banks concerned about growing social and financial turmoil.

According to government and central bank sources, a swap of more than \$1 billion is being negotiated with banks in several countries, principally Switzerland and West Germany. Such swaps, which

South Africa has negotiated before, essentially are loans backed by bullion.

Booyed by the reports, the price of gold surged more than \$3 an ounce Wednesday, to \$340.90 at the afternoon fix in London, its highest level of the year. Platinum, of which South Africa is the world's biggest supplier, surged more than \$8 an ounce, to \$340.50.

The reported negotiations came one day after South Africa, citing "abnormal pressure" on the nation's economy, suspended trading on the Johannesburg Stock Exchange and foreign-currency markets until Monday. The action followed a four-cent plunge in the value of the rand Tuesday, to 35.45 U.S. cents, a record low.

Economists said the action was an admission by Pretoria that the shift of capital out of South Africa had reached crisis proportions.

Dealers in London quoted the rand Wednesday with a 10-cent spread between buying and selling

Rail Guards In U.K. Vote Not to Strike

London — Britain's 11,000 railroad brakemen have voted narrowly against going on strike after fears that industrial action would lead to a complete shutdown of train services, it was announced Wednesday.

The brakemen, or guards, voted Friday on whether to take industrial action against plans by state-owned British Rail to introduce driver-only trains as an economy measure.

This would mean that the trains would be operated by one person, dispensing with the position of guard.

The result, announced Wednesday, showed that 4,815 guards voted against striking while 4,360 were in favor.

The decision was a blow to the executive of the National Union of Railwaymen, which had called for approval.

The union leader, Jimmy Knapp, said the guards had been intimidated into voting against a strike.

British Rail has already dismissed 243 workers and suspended 55 for refusing to operate driver-only trains.

British Rail management, determined to press ahead with modernization plans, threatened to shut the entire rail network if the guards approved strike action.

A vote in favor would have been a new labor challenge to the Conservative government of Prime Minister Margaret Thatcher after a 12-month coal strike that collapsed in March.

It would have given the union a mandate either to call a nationwide strike or to ban overtime.

British Rail has said that driver-only trains have already operated safely on experimental routes. It said that modern equipment, including two-way radio links, would give ample warning of trouble ahead on railroad tracks.

The union says the British signaling system is obsolete. It points to a recent rise in accidents to support its case. The number of derailments rose from 148 to 230 between 1981 and 1984.

British Rail is planning to phase out 1,760 guards on passenger and freight trains over five years. It has promised that there will be no enforced lay-offs.

The management says that the plan would save £27 million (\$38 million) annually.

British Rail reported losses of £408 million in the 15 months to March, mostly because of work lost during the miners' strike.

The vote was the rail union's second serious defeat this year against Mrs. Thatcher's cost-cutting measures in publicly owned industry.

In May, London subway guards largely ignored a union call for a 24-hour strike.

Under legislation enacted by the Conservative government, unions must poll their members on whether to strike. The rail union has 143,000 members. (Reuters, AP)



Ibrahim Babangida's new government in Nigeria freed two newspaper editors. Page 2.

Analysts See a More Flexible Nigeria New Ruler Expected to Seek IMF Pact, Boost Oil Output

By Bob Haggerty
International Herald Tribune

LONDON — Nigeria's new military government appears determined to relieve the country's staggering debt burden by trying to reach an agreement on a loan from the International Monetary Fund.

Bankers and businessmen who deal with the country said Wednesday that the new government, installed in a coup Tuesday, appeared likely to pursue a more flexible, pragmatic economic policy and seek to raise oil production.

Though the new government had not yet clearly stated its economic policy, these observers said more

radical changes seemed unlikely because the new leaders came from the same group of conservative officers who led the former regime.

A hint of the new government's policy came in a broadcast late Tuesday by Major General Ibrahim Babangida, the new government leader. Reuters, which monitored the broadcast in Abidjan, quoted him as saying he would try to break the deadlock in talks with the IMF on Nigeria's request for a loan of about \$2.5 billion.

Those talks have stalled largely because of the Nigerian government's refusal to accept the IMF's call for a sharp devaluation of the naira, Nigeria's currency, and a reduction in subsidies for local users

of oil products. The naira is officially valued in Lagos at about \$1.12, but it recently has been worth only a fourth or a fifth as much on the black market.

Nigeria's old government, arguing that a sharp devaluation would aggravate inflation, made a political issue of its refusal to take orders from outsiders such as the IMF. But many economists have argued that the country could begin to rebuild its economy and increase exports only when it accepted a more realistic exchange rate.

An accord with the IMF would make it easier for Nigeria to reach an agreement with commercial banks to reschedule its approximately \$10 billion of foreign debt. (Continued on Page 2, Col. 3)

Reagan Rejects Trade Limits on Shoes

Santa Barbara, California — President Ronald Reagan refused Wednesday to impose quotas or raise tariffs on imported shoes to protect the American shoe industry.

Instead, Mr. Reagan said he would take steps to put pressure on foreign governments to open their markets to more American goods.

To accomplish that, he said he would invoke a section of trade law allowing the government to file unfair trade complaints against offenders in specific instances.

The U.S. tariff on imported shoes is now 8.3 percent of the import value.

In a statement issued here, where Mr. Reagan is vacationing, he said that, while he supported the principle of free trade, he must continue to insist on fair trading partners that free trade also be fair trade.

"Today," Mr. Reagan said, "we increasingly find ourselves confronted with demands for protectionist measures against foreign competition, but protectionism is both ineffective and extremely expensive."

His action was assailed by representatives of shoe-manufacturing states.

Senator William S. Cohen, Republican of Maine, said Mr. Reagan's action was "grossly insensitive to the needs of the 200,000 shoe workers throughout the country."

"By worshipping blindly at the altar of 'free trade' and refusing to impose quotas on the cheap foreign

shoes which are flooding our market," Mr. Cohen said, "the president is effectively signing the death warrant of the U.S. footwear industry."

[Mr. Cohen said Tuesday he would introduce legislation to require penalties on imported shoes. United Press International reported. The bill would also limit imports of shoes to 55 percent of the U.S. market for five years.]

Sen. John C. Danforth, Republican of Missouri, said he intended to push for the Trade Act to be rewritten to limit the president's ability to reject a recommendation for action from the U.S. International Trade Commission. The commission had proposed a sliding scale of quotas over a five-year period and ultimately be phased out.

Industry leaders testified in hearings before the commission in Washington that 105 U.S. shoe manufacturing plants were closed in 1984 alone.

Three of four pairs of shoes sold in the United States now are made in foreign countries. Imports are highest from Taiwan and South Korea, followed by Brazil, Italy and Spain.

Official Asks JAL Team To Resign Over Crash

Tokyo — Pressure is mounting on Japan Air Lines for restructuring of its administration and tightening of safety procedures, following publication of a preliminary report on the crash of a JAL Boeing 747 in which 520 people died.

In an interview published Wednesday, Japan's transport minister called for the resignations of the airline's entire top management, and proposed complete private ownership of the airline, which is 35 percent state-owned.

The findings disclosed Tuesday by the Transport Ministry did not establish the cause of the Aug. 12 crash but they did not exonerate JAL.

Appearing Wednesday before a parliamentary commission, Yasumoto Takagi, president of JAL, reiterated his earlier apologies. He had submitted his resignation because of the crash.

But Transport Minister Tokuro Yamashita, who has accused JAL of negligence, said, "I do not know the technical details but this accident is a disaster which is imputable to people."

He said, in an interview with the Yomiuri newspaper, "The indirect causes of the crash lie in the organization of a company that has people crying out, 'It's JAL again,' with each new accident."

"Not only President Takagi (Continued on Page 2, Col. 4)

Esmeralda Wins Cuban Fans for U.S.-Backed Radio Martí

By Joseph B. Treaster
New York Times Service

HAVANA — Mention the name Esmeralda to people in Havana these days and you're likely to get a smile and a conspiratorial wink.

Esmeralda is the main character in a soap opera that is broadcast daily on Radio Martí, the U.S. government broadcast service to Cuba.

The uproar of official denunciation that greeted the inauguration of Radio Martí last May 20 has subsided, and the government is trying to ignore the broadcasts.

But it seems that a growing number of Cubans are following the travails of Esmeralda, a poor blind girl who falls in love with a rich young man and finally wins his heart. Some teen-agers also say they tune in to Radio Martí to hear music programs featuring Michael Jackson, Stevie Wonder, Lionel Richie and Olivia Newton-John.

In the first day or two of the broadcasts, Cubans and foreign diplomats say, nearly everyone seemed to be tuned into Radio Martí out of curiosity. Then it became difficult to find anyone who would acknowledge they listened.

Many Cubans seemed nervous when foreign journalists asked questions about Radio Martí. Now, Cubans seem more relaxed about "RM," as some are calling it, although most still tell strangers they are not regular listeners. Nearly everyone, however, seems to know who Esmeralda is.

It is not against the law to listen to Radio Martí, as some Washington officials have reported. Yet some Cubans refer to it as "enemy radio." Some of the ubiquitous block organizations known as Committees for the Defense of the Revolution have advised against listening to it.

Many Cubans who acknowledge listening say they do so with the volume turned down low.

Western diplomats say they have noticed the popularity of Esmeralda and the modern music. But they say they believe Radio Martí is having little political impact and wonder if it is worth the trouble it has caused in U.S.-Cuban relations.

Fidel Castro, the Cuban leader, reacted with a strident condemnation of Radio Martí and the suspension of a five-month-old immigration agreement that had been the two countries' first major accord in seven years.

Cuban and U.S. officials say relations between the two countries are at one of the lowest points in years, with nothing more than routine business being conducted.

In mid-July the U.S. House of Representatives cut the administration's requested 1986 budget for the broadcast service from \$11.2 million to \$8.5 million.

As approved by Congress, Radio Martí was not to be a propaganda radio, as many Cuban exiles had hoped, but a branch of the Voice of America. It is required to adhere to Voice of America standards "to ensure objective, accurate, balanced" broadcasts.

Cubans regularly tune in radio stations from Miami, London and Moscow. As approved by Congress, one of the main features of Radio Martí was to be that it would provide information about Cuba that was not being broadcast by other stations. Radio Martí has included some information of this type in its news programs, but nongovern-

mental critics in Cuba say they had expected much more.

A major handicap for Radio Martí is that it is unable to send correspondents to Cuba. U.S. officials say Radio Martí gets some information from the handful of international news correspondents based in Havana, whose material is not usually published in Cuba, and from a variety of sources on Africa and Central America where Cuba is involved.

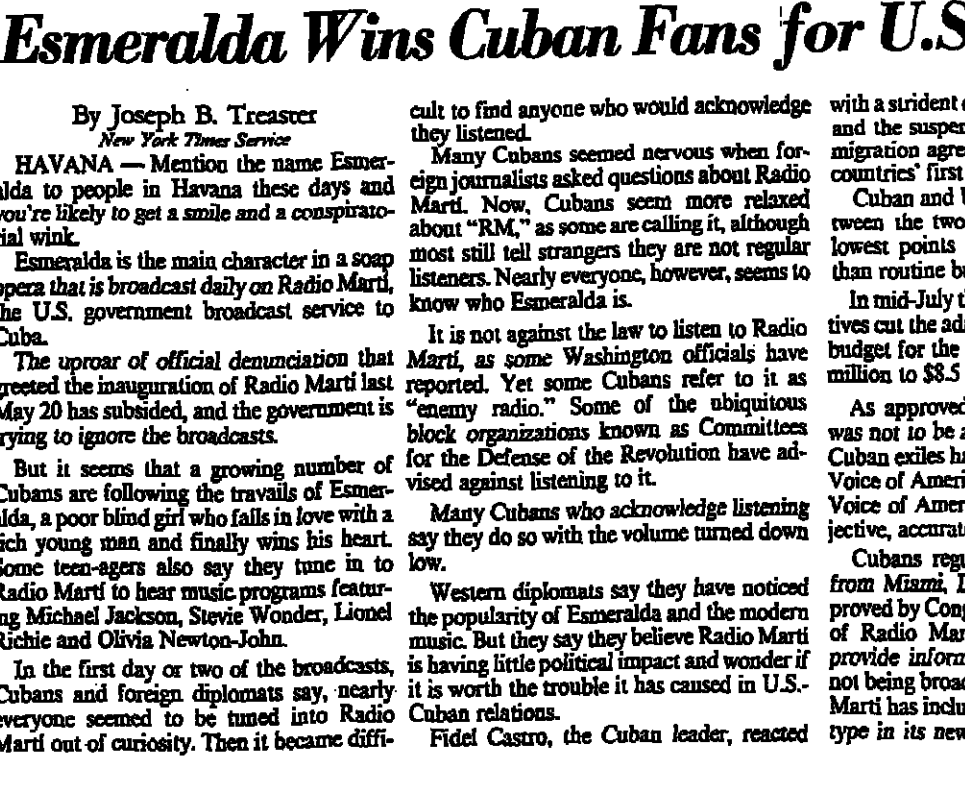
The initial criticism of Radio Martí, that it seemed to be an anachronistic production that had little to do with modern Cuba, seems to have diminished.

Fans of Esmeralda say the program is different from the soap operas offered by Cuban stations in that it seems to carry no obvious political message.

"People are tired of the anti-Yankee programs, the programs about poverty in Latin America, illiteracy," said a woman in a management job. "They want to disconnect. They want to listen to something silly. That's why they listen to Esmeralda. It makes them relax."

INSIDE

- Guatemala's national university is a survival course. Page 2.
- A suicide car bomber attacked Israeli-backed militiamen in south Lebanon. Page 2.
- Security at nuclear plants is becoming a priority in the United States. Page 3.
- U.K. airlines were ordered to urgently check jet engines of the type involved in the Manchester accident Aug. 22. Page 4.
- Exotic deep-sea life is being found in a rapidly growing number of habitats. Page 5.
- The Tokyo Stock Exchange announced plans for its first membership expansion in nearly four decades. Page 5.
- China had a merchandise trade deficit of \$7.89 billion in the first part of 1985. Page 7.



Ruth Gordon, the actress who won an Oscar for her role in 'Rosemary's Baby,' dies. Page 2.

For Guatemala University Chief, First Course Is Personal Survival

By James LeMoine
New York Times Service

GUATEMALA CITY — The rector of the University of San Carlos here is out to set an unusual record. He would like to be the first head of the school since 1978 to survive a term in office.

But the rector, Dr. Eduardo Meyer Maldonado, is aware that it may not be an easy task. Overseeing Guatemala's national university has proved to be a high-risk occupation of late, as political violence, much of it government-directed, has swept the country.

The last two heads of the school were shot to death, in 1981 and 1983. Another former rector fled into exile, fearing for his life. Six weeks ago, Dr. Maldonado's possible successor and close friend, Dr. Edgar Leiva, was also killed, shot twice while walking to a morning class on campus.

Dr. Meyer, 47, who is a surgeon and a teacher as well as the head of the university, narrowly evaded death himself in 1983 when gunmen fired on his car, shattering a window. He escaped, he says, by ramming his assailants' vehicle and speeding away.

"It's part of what you need to know how to do," he said with a smile, much as the president of some other college might discuss the annoying necessity of meeting alumni associations or attending fund-raising dinners.

The last of more than 20 death threats Dr. Meyer says he has received arrived two weeks ago. It was a missive that ended with the words, "You will pay with your life as was the case with your predecessor."

In the last two years, according to university records, at least 36 students and 10 teachers have been killed or have disappeared, 12 of them in the last six months. The police have not solved a single case, Dr. Meyer said. Several students attributed the attacks to government security forces.

The killings have increased in recent months as Guatemala prepares for elections Nov. 3 that will return it to civilian rule.

Such violence has become an accepted part of life in Guatemala, where a strongly conservative army and a Marxist guerrilla movement have warred for years and where the military appears to have killed many thousands of people in an effort to quash any challenge to its authority.

In the midst of the repression, the national university has become a center of political resistance to Guate-

mala's military regime, a haven for young leftists and one of the few spots where the country's future is openly debated.

These activities are made easier because the university, following a long Latin American tradition, is granted a special autonomous status by the Guatemalan Constitution to encourage academic freedom. In practice, autonomy has meant that the army and the police do not openly enter the campus, though students believe that government informers, known as "ears," are ubiquitous.

A degree of independence from the military government has also meant, according to present and former students and teachers, that underground guerrilla groups recruit on the campus and that drug dealers occasionally ply their trade there. A Roman Catholic priest said two university students he knew had recently asked him for advice after they were approached on campus and offered scholarships to study in Cuba.

Conservative Guatemalan politicians and military officers harshly criticize the school for allowing radical leftists to organize and proselytize there. Others have been critical as well.

The U.S. ambassador to Guatemala, Alberto M. Fiedra, is co-author of a book published in 1980, "Guatemala, A Promise in Peril," that dismisses the national university as "a publicly financed echo chamber of revolutionary communism."

Dr. Meyer meets such criticism with the same terse purpose he seems to devote to staying alive.

Describing himself as "of fundamentally democratic persuasion, nationalist and Catholic," he says he is determined to preserve the independence of the university founded in 1676 as Guatemala's largest center of learning. Today, it is a place where more than 50,000 middle- and working-class students are educated for just \$20 a year.

His belief in the university led Dr. Meyer, who is an alumnus, to seek election as rector three years ago when nobody else wanted to risk his life for the job. His term is for four years.

"I am an idealist," he said by way of explanation. "I love the university and what I have I owe the university."

On the broad campus grounds, radical politics and the hubbub of late adolescence offer a powerful mix of symbols and emotions.

Bright murals that wash the prefabricated concrete buildings depict Che Guevara and Guatemalan rev-



A mural at the University of San Carlos commemorates a student leftist slain in political violence. The two predecessors of the school's president, Dr. Eduardo Meyer Maldonado, right, were also killed.

lutionaries, and another is dedicated to Chile under Salvador Allende, the elected Socialist president who died in 1973 in a military coup.

Political slogans and invocations to action line hallway walls.

It may be only an influential minority of students that is active in political matters, but they take the work seriously. An impromptu meeting of the association of law students gave a taste of campus politics as practiced in Guatemala.

The student representatives refused to give their names, prohibited photographs and said that the number of students in the association was a secret. Pictures of eight student leaders who have been killed or have disappeared stared down from a wall.

The young politicians spoke openly of their strong leftist beliefs and their hope for a revolution. They did not disguise their anger with Guatemala's military

rulers, nor their antipathy for the United States, which they held responsible for supporting 30 years of repressive governments after a coup in 1954 supported by the CIA.

"American policy has always been interventionist and has violated the self-determination of peoples," said a student, who refused to allow his name to be used.

Dr. Meyer described the students of the university as members of a generation that had been wounded by state repression and political violence and that held little hope for the future.

"All we are trying to do is to guide the young people," he said with an edge to his voice. "They are frustrated at the lack of respect for human beings, the lack of identification with them, the lack of credibility of government officials and those who seek to govern in the future."

WORLD BRIEFS

Korean Talks on Reunions Break Up

SEOUL (Reuters) — Red Cross delegates from North and South Korea, meeting to arrange the reunions of divided families, broke off talks abruptly Wednesday in Pyongyang, but officials said later that they expected the visits to go ahead.

The talks broke up after North Korean delegates criticized the South Koreans for walking out of a gymnastics display Tuesday in Pyongyang's Moranbong stadium after 50,000 North Korean students, brandishing rifles and shouting warlike slogans, staged a mock battle. The South Koreans said that the display breached a promise by North Korea to avoid a political show.

A South Korean spokesman for the Red Cross in Seoul said that North Korea had refused to discuss the main aims of the talks and had threatened to abandon visits in September by 100 families separated by the 1950-53 Korean War. He added that he expected the exchange visits to take place and that talks would resume Nov. 26 in Seoul.

Afghans Report Major Soviet Move

ISLAMABAD, Pakistan (Reuters) — Large numbers of Soviet troops are being ferried by helicopter to eastern Afghanistan in a major anti-guerrilla offensive, Afghan rebel sources said Wednesday.

They said helicopters were seen bringing troops to Fajir and Nangarhar provinces bordering Pakistan as part of a drive to seal guerrilla supply routes into Afghanistan. Western diplomats reported Tuesday that helicopters and military convoys with hundreds of vehicles had been seen heading east from Kabul in the past week.

The Soviet Union abruptly closed its airspace near Afghanistan on Tuesday, forcing a Thai airliner to turn back to New Delhi. The move prompted speculation that it might have been done to make way for special military traffic.

Reagan Urges U.S., Soviet Arms Cuts

GENEVA (UPI) — President Ronald Reagan called Wednesday on Moscow to join in building a stable and more cooperative relationship, starting with radical cuts in nuclear arsenals.

The president made his appeal in a message read by Kenneth L. Adelman, the U.S. chief delegate to a conference reviewing the Nuclear Nonproliferation Treaty of 1968, which was aimed at preventing a further spread of nuclear weapons.

In a similar message Tuesday, Mikhail S. Gorbachev, the Soviet leader, urged Washington to join Moscow's unilateral moratorium on nuclear testing and renunciation of the first use of nuclear arms.

Fires in N.Y. Tunnel Cut Rail Service

NEW YORK (AP) — Fires of suspicious origin in four jumbled railroad cars spewed smoke through Manhattan's Grand Central Terminal on Wednesday, cutting off commuter rail service used by 60,000 people at the height of the morning rush hour.

Dense clouds of black smoke poured into the air from ventilation ducts at the evacuated station and along Park Avenue, which sits atop the tunnels leading out of the station. Emergency equipment jammed the streets and midtown traffic was badly congested.

More than 40 people, including 12 firefighters, were treated at Grand Central and 29 were sent to hospitals. Most suffered smoke inhalation or heat exhaustion. Authorities said the fire broke out in the early morning in four passenger cars scheduled to be scrapped. They were stored in a tunnel beneath the station.

Sikh Group Will Boycott Elections

NEW DELHI (Reuters) — A militant Sikh group said Wednesday that it would boycott next month's Punjab elections, the Press Trust of India reported.

Joginder Singh said his supporters would not put up candidates in the Sept. 25 election. His hardline United Akali Dal group broke away from the main Sikh political party, the Akali Dal, in May.

A leader of the group, Ranjit Singh Brar, was arrested three days ago in connection with the murder of the president of Akali Dal, Harchand Singh Longowal, by Sikh extremist gunmen Aug. 20. Jagdev Singh Talwandi, another United Akali Dal leader, has been questioned by police about the assassination.



Joginder Singh

Springer Kidnapper Given 3½ Years

CHUR, Switzerland (Reuters) — A 22-year-old West German was sentenced Wednesday to three and a half years in prison for kidnapping the grandson of a West German publisher in January.

Thomas Haegin was found guilty of hostage-taking in the disappearance of Sven Axel Springer from an exclusive school in Zug, southeastern Switzerland, on Jan. 20. Sven Springer, grandson of Axel Springer, who publishes West Germany's biggest circulation newspaper, Das Bild, was released unharmed after three days and before his family had met a demand for a ransom of about \$5 million.

Mr. Haegin told the court he had become involved in the kidnapping out of a desire for adventure. Three other alleged kidnappers are due to stand trial Sept. 20 in Munich.

For the Record

Ethiopian forces have recaptured the Eritrean garrison towns of Barentu and Tessenet from separatist guerrillas in some of the heaviest fighting in years, sources said Tuesday in Addis Ababa. (AP)

Kathleen Wright of Fort Lauderdale, Florida, died Tuesday at a Dallas hospital to become the 135th victim to die from injuries suffered in the crash of a Delta Air Lines 747 at Dallas-Fort Worth International Airport on Aug. 9, officials said. (AP)

President Chaim Herzog refused to grant 392 pardons requested by the Israeli police minister, Chaim Bar-Lev, to help clear congested prisons. Mr. Bar-Lev said there were 3,359 security prisoners and 4,391 criminals in prisons, which have capacity of about 6,500. (UPI)

The Turkish Cypriot leader, Refik Karpuzcu, said Wednesday he would have talks in September in New York with the United Nations secretary-general, Javier Pérez de Cuellar, on the Cyprus problem. (Reuters)

Only 11 Soviet Jews were authorized to emigrate last month, the lowest known monthly total, the Jewish Agency said Wednesday. (AP)

South Africa Is in Cash Crisis As Banks Call in Their Loans

(Continued from Page 1)

mally renewed on a routine basis, that fell due this month. Economists pointed out that repayment of dollar-denominated short-term debt, which was costing South Africa 24 billion rand a year two weeks ago, now costs 36 billion rand because of the decline in the currency's value.

Some said that if the talks with foreign banks in the next couple of days failed, South Africa might be forced to reschedule its debts, as Latin American countries had done.

Meanwhile, sources said that the governor of the Reserve Bank, Gerhard de Kock, would be coming to London to organize the swap transaction with the banks, and that the subsequent boost in monetary reserves would presumably allow the rand to stabilize at around 40 U.S. cents.

Mr. de Kock disclosed Tuesday that about \$2 billion of short-term capital had left the country in the 18 months to the end of June. A burst of selling by foreigners of South African shares rose to \$70 million in July as the unrest spread.

Sources said any plan for a currency swap would be part of a broader reform to replace the free floating rand with either a fixed-

rate or a dual-rate currency, one fixed for commercial operations and the other for such financial transactions as the repatriation of capital by foreign companies.

Analysts said Wednesday that attempts to roll over South Africa's debt through renegotiation or a swap arrangement would give the country only temporary respite, and that the best solution would be the reinstatement of the two-tier rand.

Bringing back the financial and commercial rand would be the most straightforward thing, an analyst said. "It wouldn't be another stopgap."

Michael Conson, of Phillips & Drew in London, said that in spite of political objections to reversing the process of liberalization, the two-tier system did not real harm.

"It is basically good," he said. "For outside investors it makes South African shares cheap and dividends good."

Under the two-tier system, foreigners invest in South African shares at a discount in the financial currency, while earning dividends at the full commercial rate. (Reuters, IHT)

Suicide Car Bomber Attacks Militia in Tyre

Reuters

TYRE, Lebanon — A suicide car bomber attacked Israeli-backed militiamen in south Lebanon on Wednesday. Earlier, Israeli troops stormed Shiite Moslem villages in the area.

About 15 people, including members of the South Lebanon Army militia, were killed or wounded when a car rigged with 660 pounds (300 kilograms) of explosives rammed a South Lebanese Army post, Lebanese security sources said.

In another development, 113 Lebanese and Palestinians were freed from an Israeli jail.

The bombing, between the villages of Barri and Rimat near the Christian town of Jezzine, which is held by the South Lebanese Army, was the seventh such attack on Israeli troops or their client militias since June.

State-owned television said the attack was carried out by a member of the "Assad brigade" of the Lebanese branch of the Arab Baath party, named after President Hafez al-Assad of Syria.

Witnesses said the blast was followed by heavy shooting from South Lebanese Army positions and added they saw three members of the militia with blood-covered faces and a fourth motionless on the ground.

As South Lebanese Army tanks and Israeli helicopters headed for the scene, Israeli troops 14 miles (20 kilometers) to the south were leaving Shiite villages they stormed

before dawn, in a search for guerrillas.

Security sources in the south said Israeli troops backed by tanks and armored cars and led by the chief of the Israeli Army's northern command, General Ori Orr, entered villages including Qabricha, Majdal Salm and Souwvanah.

At least five villagers were taken for further questioning after the troops tied up and interrogated scores of villagers, blew up one house and shot and wounded a man who tried to prevent troops from entering his house, they said.

The villages are on the edge of a security zone Israel set up when it formally ended a three-year occupation of Lebanon in June.

The latest batch of Palestinian and Lebanese to be freed from Israel's Adit jail returned to Lebanon heavily guarded by militiamen of the Shiite Amal movement.

The 113 freed were among more than 700 Adit detainees whose release was demanded by hijackers of a Trans World Airlines jet in June. ■ Moslems Abduct Prisoners

Shiite Moslem gunmen on Wednesday dragged Palestinians from the convoy of 113 Arab prisoners returning home after being held in Israeli prisons. The Associated Press reported from Tyre.

The Palestinians, some of whom were referred to as "Israeli collaborators," were dragged at gunpoint from the Red Cross buses.

The Shiites hailed their own men among the returning Arabs as resistance heroes.



PALESTINIAN BEGINS EXILE — Haidi Abu Ziad, a leader of Al Fatah on the Occupied West Bank who is accused by Israel of terrorist activities, embraced his father Wednesday before leaving for three years of voluntary exile after a deportation order was dropped.

Analysts See a More Flexible Nigeria

(Continued from Page 1)

mately \$20 billion of external debt, most of which is due for repayment over the next few years. By stretching out the payments, Nigeria could lighten an austerity program that has slashed imports to less than a third of the 1981-82 level.

The former government of Major General Mohammed Buhari took an aggressive line in its support for austerity.

By contrast, General Babangida said Tuesday that Nigeria had allocated too much of its export earnings for debt payments.

Graham Wilson, president of the

Nigerian-British Chamber of Commerce, said he saw hope for a more flexible policy with less emphasis on austerity. He and other businessmen said they were relieved that the coup was led by a senior officer rather than a more radical junior officer.

Observers were awaiting signs of the new government's approach to running the oil industry. Oil accounts for more than 90 percent of export earnings.

The country's production has slumped to about a million barrels a day from a high of about 1.7 million early this year. But Mehdi

Varzi, oil analyst at the stockbrokerage of Grieson, Grant & Co., said he expected Nigerian production to rise to around 1.5 million barrels a day within months.

Nigeria has been negotiating an arrangement designed to encourage higher sales by granting local affiliates of international oil companies larger profit margins on the oil they produce in the country.

In his broadcast, General Babangida said his government would review Nigeria's recent agreements to swap oil for goods and services from Austria, Italy and France.

General Babangida, a career soldier in his 40s, said in a radio and television address Tuesday night: "Regrettably, it turned out that Major General Buhari was too rigid and uncompromising in his attitude to issues of national significance."

General Babangida, who is said to be popular with the nation's soldiers, became chief of staff of the army after the Dec. 31, 1983, coup against President Shugu Shagari that installed General Buhari.

General Babangida said that General Buhari came to power stating that the 1983 coup was launched because of mismanagement of the economy, lack of public accountability, insensitivity of the political leadership and a deterioration in living standards.

"Nigerians have since then been under a regime that continued the trend," General Babangida said.

There was no immediate indication of General Buhari's fate since the coup. Western press reports said he had been ill recently.

General Buhari's government had imposed drastic measures to revive the economy, including closing Nigeria's land borders and expelling thousands of illegal immigrants to waste jobs for Nigerians. But consumer goods, even food staples, have become scarce, and businessmen say they cannot get permits to import vital spare parts.

Ruth Gordon, 88, Actress On U.S. Stage, Screen, Dies

The Associated Press

EDGARTOWN, Massachusetts — Ruth Gordon, 88, the actress whose stage and screen career spanned 70 years and included a supporting actress Oscar in "Rosemary's Baby," died in her sleep Wednesday at her summer home at Martha's Vineyard.

She was found by her husband of 43 years, Garson Kanin, a producer and author.

Her screen credits include "Inside Daisy Clover," "Where's Poppa," and "Harold and Maude," about the love between a teen-age boy and an old woman. She was the friendly neighbor devil worshiper in "Rosemary's Baby" and played Clint Eastwood's acid-tongued mother in "Every Which Way But Loose" and "Any Which Way You Can."

"Harold and Maude" was a box-office flop when it opened it 1971.

But it achieved cult status among college students and finally made a profit.

She co-starred in a film scheduled for release this fall, "Maxie," about a 1920s flapper who invades the body of a housewife.

She won an Emmy award for an appearance on the TV show "Taxi" in 1979.

She also wrote two books, "Myself Among Others" and "My Side," an autobiography, as well as three plays. With Mr. Kanin, she wrote the screenplays for the Tracy-Hepburn hit movies "Adam's Rib" and "Pat and Mike."

She was born in Wollaston, the daughter of a factory foreman, and grew up in Quincy. She left home at 15, riding a train to New York City with a \$50 bill pinned to her corset.

"I wanted to be an actress," she said. "I was going to be an actress."

Aide Wants JAL Team to Resign Over Crash

(Continued from Page 1)

should resign but the whole management," the minister added. Several articles in the Japanese press in the past two weeks have accused JAL of being more concerned with profits than safety.

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work, Academic, Life Experiences.
Send detailed resume for free evaluation.
PACIFIC WESTERN UNIVERSITY
408 N. Sepulveda Blvd.,
Los Angeles, California
90049, Dept. 23, U.S.A.

A JAL spokesman confirmed Sunday that one of the airline's 747s had flown for two days earlier this month with a damaged door repaired with adhesive tape.

The material showed that the crew had struggled much more than initially believed to regain control of the aircraft.

The first sign that something was wrong, the report said, came when a loud bang jolted the rear of the jet at 6:24 P.M., 12 minutes after take-off.

It appeared that the pilot, Masami Takahama, did not understand how badly crippled the plane was. But the report underlined the foreboding in the cockpit. Several times, the pilot spoke of how "heavy" the controls felt.

At 6:46 P.M., he said, "We may be finished."

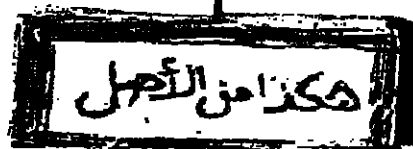
been blown apart, forcing the plane to veer wildly off course. What caused the damage, however, is still not known.

The material showed that the crew had struggled much more than initially believed to regain control of the aircraft.

The first sign that something was wrong, the report said, came when a loud bang jolted the rear of the jet at 6:24 P.M., 12 minutes after take-off.

It appeared that the pilot, Masami Takahama, did not understand how badly crippled the plane was. But the report underlined the foreboding in the cockpit. Several times, the pilot spoke of how "heavy" the controls felt.

At 6:46 P.M., he said, "We may be finished."



U.S. Increases Security At Nuclear Facilities as Fear of Terrorists Grows

By Thomas O'Toole
Washington Post Service

WASHINGTON — The United States is becoming increasingly concerned about the security of nuclear facilities, adding guards and practicing against mock terrorist attacks.

For example, at the Department of Energy's enrichment plant near Portsmouth, Ohio, where weapons-grade uranium is produced, car searches are no longer limited to interiors. Under-the-hood inspections are mandatory.

Visitors used to be allowed to walk through unclassified parts of the plant with only an escort. Now armed guards accompany the escort.

Mock terrorist attacks against the plant had been limited to the classroom. They are carried out now against the security guards in night attacks by members of the Army's Special Forces, who dress in black and carry laser weapons that shoot light beams to record hits.

The Department of Energy has come up with what it hopes is the ultimate in burglarproofing. The final barrier to anyone breaking into a container or vault with nuclear material is a thick, molasses-like substance that oozes through the lock mechanisms.

As terrorism becomes more widespread and more sophisticated, there are indications that the nuclear aspect of terrorism is a real possibility.

Terrorists blew up parts of a French nuclear plant in 1979, causing \$20 million in damage. Three years later, members of the same group, the Pacific and Ecologist Committee, fired five rockets at France's plutonium-producing breeder reactor.

After a U.S. brigadier general, James L. Dozier, was rescued from the Red Brigades in Italy in 1982, he told Italian authorities that his kidnappers interrogated him about American nuclear weapons in Western Europe. Members of Germany's Red Army faction have been arrested carrying maps and drawings of U.S. nuclear weapons depots and the routes that security patrols take outside and inside the depot gates.

The United States goes to great lengths to prevent the loss of an atomic weapon, but two are still

missing following airplane accidents.

A nuclear bomb was aboard a Navy A-4 fighter-bomber that rolled off a carrier deck into the Pacific Ocean in 1965. The plane and weapon sank at one of the deepest points of the Pacific, 500 miles (800 kilometers) from land. They are presumably still there.

A bomb was jettisoned over Wassaw Sound in Georgia in 1958 and sank. It was not armed with nuclear components, but it did have its detonator.

There have been 14 bombings of U.S. nuclear installations in the past 10 years, and 300 threats. The bombings caused no serious damage or injury.

One of the most dramatic cases was in 1979. An employee of a General Electric plant in Burlington, North Carolina, that fabricates uranium fuel rods for civilian nuclear power plants stole two steel drums containing 145 pounds (65 kilograms) of uranium in powder form, enriched, but not to full bomb grade.

He demanded \$200,000 from GE. He threatened to disperse the uranium over two unidentified cities in the United States, but the FBI caught him before he could carry out his threats. He was sentenced to 15 years imprisonment.

"I don't want to be an alarmist," said William W. Hoover, assistant secretary for defense programs at the Department of Energy, "but somebody is going to try to steal something more critical than powdered uranium. We must be ready for that threat." Mr. Hoover, a retired Air Force general.

The Department of Energy has quadrupled its budget in the last five years to safeguard nuclear weapons and materials. It now spends \$700 million yearly.

The facilities include the Pantex plant in Amarillo, Texas, where nuclear weapons are assembled; the Rocky Flats, Colorado, plant, where plutonium warheads are made; the Oak Ridge, Tennessee, plant, where uranium warheads are built; the Nevada Test Site, where atomic weapons are tested, and the Savannah River, South Carolina, and Hanford, Washington, plants, where plutonium is made.

"Anybody who thinks terrorists aren't cunning or ruthless enough to pull off a nuclear attack has forgotten the Munich Olympics, the shooting of the pope," Representative Richard A. Gephardt of Missouri told the Conference on International Terrorism sponsored last month by the Nuclear Control Institute. "And anybody who thinks an outlaw country won't help terrorists 'go nuclear' hasn't been to Tehran or Tripoli," said Mr. Gephardt, chairman of the Democratic Caucus.

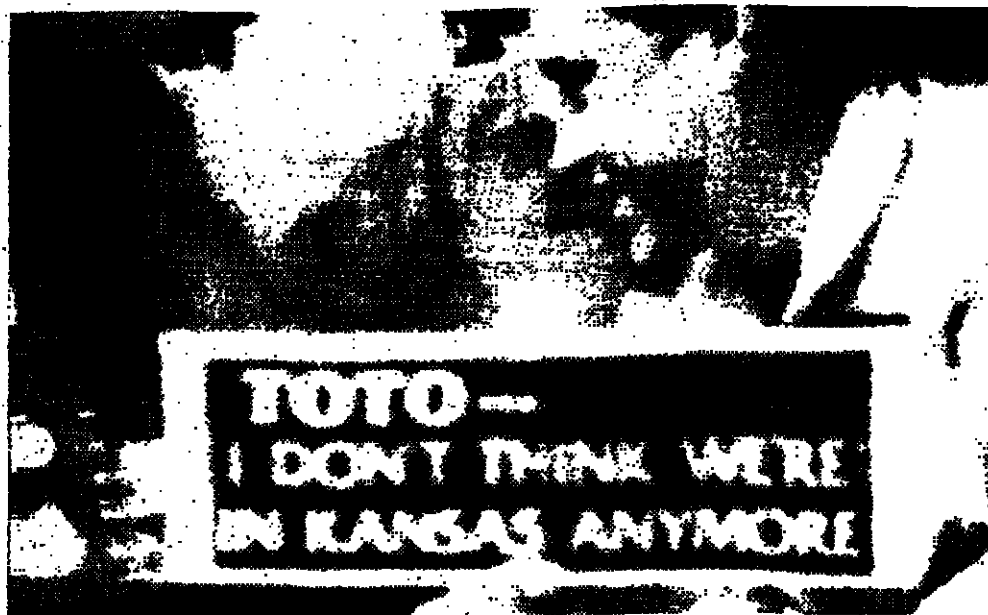
Guards at these Department of Energy installations have been increased by 500 men in the last 18 months.

Stronger fences have been built around the plants and more electronic sensors have been added to detect intruders.

A year ago, the Department of Energy established a training academy at Kirtland Air Force Base at Albuquerque, New Mexico, where 800 guards undergo Special Forces training every year.

When an atomic weapon travels by train in the United States, it moves in a metal car with a steel top locked in place by bolts. If the weapon is transported by road, it travels in a truck whose wheels can be locked and whose armor-plated sides can resist any weapon less powerful than anti-tank shells.

The Nuclear Regulatory Commission does not allow multiple shipments of weapons-grade uranium or plutonium to be on the road simultaneously anywhere in the country if they add up to what the commission calls "trigger quantities."



The Discovery crew sent a message from the "Wizard of Oz" to mission control.

Shuttle Launches 2 Satellites in a Day

United Press International

CAPE CANAVERAL, Florida

Astronauts aboard the space shuttle Discovery deployed two satellites on the same day for the first time, then prepared their equipment Wednesday for a weekend space walk to repair a crippled satellite.

The Discovery was launched Tuesday, just before a storm hit the launch site, then it orbited the satellite the same day.

The first satellite, an Australian government communications unit, was sent into orbit in an emergency launch a day earlier because a shade protecting it from the sun had jammed open.

The crew followed that with the launch late Tuesday of a radio-

relay station owned by the American Satellite Co.

On Wednesday, a crew member, William D. Fisher, told ground controllers that the electrical unit he is to use to bypass a defective timing device of the crippled satellite had passed an inspection. The \$85-million Syncom satellite was launched in April, but a timing mechanism apparently malfunctioned, preventing rocket firing that should have boosted the satellite to its operational orbit.

Engineers on the ground, meanwhile, scheduled training sessions Wednesday to study how the ship's robot arm will operate during the repair effort. The repair and space walk were planned for Saturday.

The flexible arm, which must hold the satellite, lost power in one

of its joints Tuesday and will not be able to move the 15,200-pound (6,900-kilogram) satellite as fast as originally planned.

Citizens in western Australia turned on their lights Wednesday as the Discovery passed overhead, a salute for launching the Australian satellite.

The two satellite launches Tuesday set the stage for the space walk as early as Saturday. If the overhaul can be accomplished in one day, the shuttle probably will land Monday at Edwards Air Force Base, California.

Mr. Fisher and James D. van Hoften, a space walker who helped repair the Solar Max sun-watching satellite last year, plan to spend seven hours in Discovery's payload bay rewiring the Syncom communications satellite.

3 Suspects Arrested by El Salvador In Café Killings; U.S. Aid Mentioned

By Marjorie Miller
Los Angeles Times Service

SAN SALVADOR — President José Napoleón Duarte of El Salvador has announced the arrest of three guerrillas suspected of participating in the June 19 slaying of 13 persons, including four off-duty U.S. marines, at outdoor cafés here.

Accompanied by top military officers at a press briefing Tuesday, Mr. Duarte read a letter to President Ronald Reagan in which he said that a U.S.-trained investigating commission aided in the inquiry that led to the arrests. The commission, which is under the Salvadoran attorney general's office, received FBI training in gathering evidence, in analysis and in forensics.

The three suspects were identified as members of Revolutionary Party of Central American Workers, a rebel faction that claimed responsibility for the killings.

One of those killed in the café attack turned out to be a guerrilla who died of bullet wounds at a hospital after the shooting. Seven other guerrillas are still at large, Mr. Duarte said.

Mr. Duarte declined to answer questions at the briefing, and few details of the capture of the rebels were available.

The suspects were identified as Juan Miguel Garcia Melendez, José Abraham Dumas Aguilar and William Celio Rivas Solano. All are apparently Salvadorans.

Colonel Aristides Montes, head of the National Guard, said that the three had been arrested six to 15 days earlier and that their cases have been presented to a military tribunal. He said human rights groups have been notified of their

arrest, and they have been visited by family members.

A U.S. Embassy spokesman, Donald Hamilton, said U.S. officials "cooperated with the Salvadorans on their investigation. We're confident they've got the right people and we are, of course, pleased."

In late July, El Salvador acted on U.S. intelligence reports and mounted raids in which 21 members of the Revolutionary Party of Central American Workers were killed. The U.S. defense secretary, Caspar W. Weinberger, said at the time, "We have done a number of things that are, I think, very discouraging to future terrorist acts."

After the attack, the CIA formed a joint task force with Salvadoran

officials to gather intelligence on the rebels and to identify the gunmen.

Colonel Montes said the attack was carried out by 11 guerrillas, divided into three squads: planning, security and "annihilation." He said one of the suspects still at large was trained in Vietnam and another was trained in both Cuba and Vietnam.

Mr. Duarte said, "We are in a permanent and constant battle with those who believe that death, terrorism and assassination are valid instruments for arriving at a position of power."

In his letter to Mr. Reagan, Mr. Duarte thanked the United States for equipment and training.

Effort to Unite Indian Rebels In Nicaragua Is Foundering

Washington Post Service

TEGUCIGALPA, Honduras

An effort this summer to unite all Nicaraguan Indian groups battling the Sandinist government appears to be foundering because of continuing mistrust between the two largest Indian organizations.

One of the two major Indian rebel groups, called Misura, said Tuesday that Brooklyn Rivera, the leader of other group, Misurasata, had been expelled from the Indian movement as a whole.

A tribal council of elders, which is linked to Misura, expelled Mr. Rivera about a week ago because he was considered a traitor for having held peace talks with the Sandinists, Misura officials said.

Mr. Rivera does not recognize the council's authority, and he was still trying to reach an understanding with Misura, a spokesman for Mr. Rivera said.

The persistent division in the Indian movement was likely to please the Sandinist government, which has been trying to reach a separate peace with Mr. Rivera.

Plans were made in June to unify the Indian movement after Mr. Rivera broke off his negotiations with the Sandinists.

He was protesting their unilateral action in forming their own commission to consider how to grant the Indians a measure of self-government.

GUINNESS IS GOOD FOR SHAREHOLDERS.

"The events of the last few weeks have ended in the best possible way for Guinness shareholders, Bell's shareholders, and for Bell's itself.

For new shareholders, there's the opportunity to enjoy earnings per share growth and share price performance, from which our existing Guinness shareholders have benefited for the past four years.

For Guinness shareholders, the arrival of Bell's into the group is great news.

The union of Guinness and Bell's, two of the world's most famous brands, creates an International Beverage team of enormous strength. A team which I am confident will build on our joint success to date.

The Guinness group has been enjoying tremendous success over the last 4 years. From 1981 to 1985, our share price has consistently grown ahead of the average for the rest of the stock market.

What is more, Guinness earnings per share have grown by more than 122% over three years to 30th September 1984.

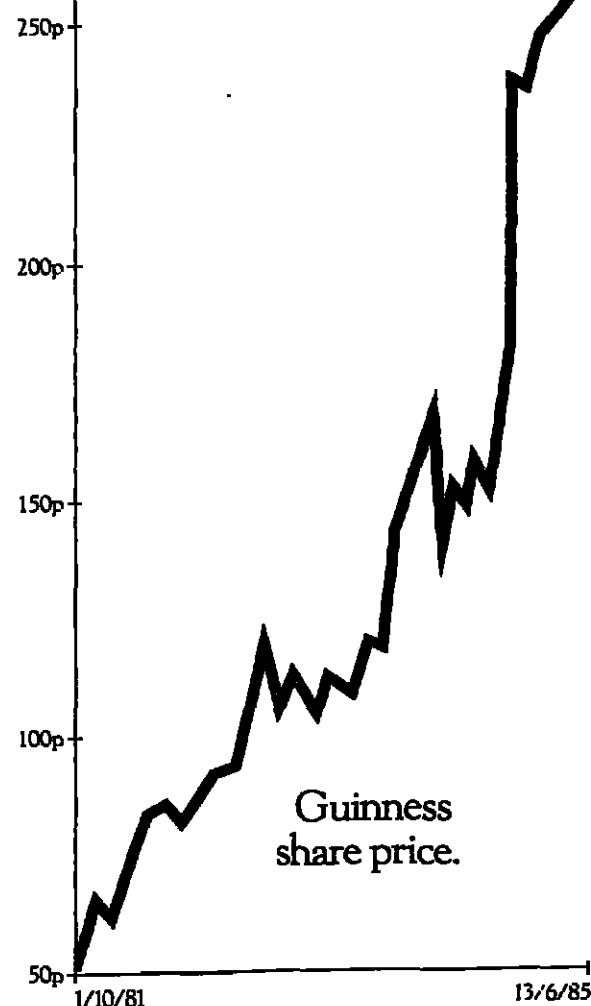
The achievement and the positive direction brought to Guinness by its new management team are a direct result of our successful twin growth strategies, encompassing profit growth for the present and the future.

PROFIT GROWTH FOR TODAY.

It is our aim to continuously improve our established businesses, International Beverages and Retailing.

In the U.S. alone, Guinness sales have risen by 81% in the three years to 31st March 1985 — outperforming all other import companies in this market sector.

I believe the acquisition of Bell's will further enhance our success in International Beverages.



We are also seeing tremendous growth in retailing. The acquisition of Lewis Meeson and RSMcColl convenience and retail chains adds to our list, making Guinness the largest operator in the convenience sector with 1100 stores.

PROFIT GROWTH FOR TOMORROW.

Our policy is always to expand into exciting new areas, as well as looking after our established business.

We have identified Healthcare and Publishing as areas of outstanding growth

potential. Our Healthcare portfolio currently consists of Champneys Health Spas in Hertfordshire and Stobo Castle in Scotland as well as Nature's Best Health products.

Guinness Publishing is under new management, and now accounts for some fifty titles. Our twin growth strategies are obviously paying dividends because trading profits from retailing and other non-brewing activities continue to rise. In the half year to 31st March 1985, they were £6.7 million compared with £1.8 million in the half year to 31st March 1984.

TOWARDS AN EVEN BETTER FUTURE.

Sales of draught Guinness this calendar year are 8% ahead of last year, a result of the successful marketing and advertising skills brought to the company by the new management team. I believe that Bell's considerable potential can now also be realised.

With Guinness behind them, the Bell's brands can make real progress in the tough but tremendously valuable U.S. Scotch Whisky market.

I'd like to thank you all for your support during the last few weeks. Over the next few years, I am confident that you can look forward to continued growth and appreciation of your stock."

Ernest Saunders
Ernest Saunders, Chief Executive.



GUINNESS PLC

DRAUGHT AND BOTTLED GUINNESS HARP KILBURN DRUMMONDS MARTIN THE NEWSAGENT, LAYBELL TELEVEN, CLARES CHAMPNEYS AND STOBO CASTLE HEALTH RESORTS NATURE'S BEST VITAMINS GUINNESS PUBLISHING

Child, Parents Held in Robbery Attempt in U.S.

Los Angeles Times Service

LOS ANGELES — The police arrested a couple and took their 23-month-old daughter into custody in connection with an attempt to rob a Brink's guard of \$8,000 at a restaurant in Los Angeles International Airport.

The restaurant cashier saw the child take a money pouch from the guard's handcart as he was making a pickup of cash Tuesday, a police department spokesman said. The child brought the pouch to her father, who put it under his coat, the spokesman said.

The cashier alerted the guard. The baby's mother returned the pouch and apologized for her daughter. During a commotion that followed, the family slipped away, the police said. They were found later by two undercover officers in the international terminal.

The couple identified themselves as George Arias, 36, and Joanna Arias, 22, of Puerto Rico. They were held on suspicion of attempted robbery. The child was put in the custody of juvenile authorities.

CONCORD LA COSTA



Concord® La Costa™ Collection. Water-resistant, shock-resistant, quartz. Rugged yet refined. A timepiece of unmistakable beauty: Hand-carved and crafted in Switzerland.

Gendver: Chimento SA, Facet, Horlogerie du Rhône SA, Bijouterie du Grand Casino, Kuntz, Jacques Zbinden, Zurichli Barth, Brunetti, Chronometrie Beyer, Guo, Koehler, Sahel, Lacourne: Bader, Ruckli, Santos Jewels



Allan Boesak

Radical South African Cleric Steers a Collision Course With Authority

By Alan Cowell
New York Times Service

CAPE TOWN — When Allan Boesak, president of the World Alliance of Reformed Churches, became embroiled in a public episode involving his personal life earlier this year, he told his supporters that official efforts to smear him would not blunt his political mission.

"If people think I will crawl into a hole and not be seen again," he said on Feb. 9 after acknowledging that he maintained a "relationship" with a fellow church worker, "they have another think coming."

Mr. Boesak, 40, who was detained Tuesday under South Africa's security laws, has lived up to the promise. If he is not to be seen again, his fiery addresses of recent months suggest, the authorities must insure that by detaining him, for he has shown that he is ready to confront the

authorities in every way compatible with his calling as a churchman.

Among South Africa's militant clerics, Mr. Boesak ranks with the most radical. He has called on blacks to exercise their economic power by boycotting white-owned stores, and earlier this year sought a day of prayer for the overthrow of the white minority authorities.

He has called the ruling whites "the spiritual children of Adolf Hitler" and the police force "a sophisticated murder machine." His enemies were delighted when he was photographed, on July 20, at a funeral in the eastern Cape settlement of Cradock, in front of a Soviet flag.

Since March this year, he has been arrested twice.

While Bishop Desmond M. Tutu, winner of the 1984 Nobel Peace Prize, has recently projected himself as a mediator, Mr. Boesak has

been more confrontational. Both are patrons of the United Democratic Front, a multiracial alliance formed two years ago to oppose South Africa's new constitution, which excludes the black majority.

Mr. Boesak's actions, sometimes, seemed designed to engender publicity and thus to maintain foreign pressures on South Africa. Some white liberals say they fear him because of a speaking style that inflames passions. Black activists say he has said the right things at the right time. The authorities, by their action Tuesday, seem to acknowledge that he represents a challenge, perhaps the more so because of the color of his skin.

Under South Africa's racial classification laws, Mr. Boesak is a "colored," one of the 2.5 million people of mixed racial descent.

He was born in a remote town in northwestern Cape province. His father, a schoolteacher,

died when he was 7, and his mother moved to Somerset West, near Cape Town.

According to his wife, Dorothy, mother of their four children, he had always wanted to be a clergyman, and delivered his first sermon at the age of 13. He was ordained at the age of 23 in the "colored" branch of the Dutch Reformed Church, the segregated ecclesiastical body built on the Calvinist principles of Afrikanerdom.

From 1970 to 1976, Mrs. Boesak said, she and her husband lived in the Netherlands while he completed a doctoral thesis on ethics. He returned to South Africa during the unrest in Soweto in 1976.

Earlier this year South African security police made available to newspapers tapes purporting to prove that Mr. Boesak was involved in an illicit sexual relationship with Di Scott, 30, a white woman working for the South African Council of Churches.

Mr. Boesak acknowledged in February that he had maintained what he called "a relationship" with Miss Scott, but said: "No human being should be forced to speak so publicly about his or her innermost feelings and I shall therefore not try in any way to explain the meaning of this relationship."

His local church suspended him but, after a divisive debate, reinstated him in March, saying a charge of adultery had been rejected. The episode tarnished Mr. Boesak's name among many whites, as the security police had apparently intended. But to many South Africans, the smear campaign reinforced his anti-apartheid credentials.

Mr. Boesak's wife said Tuesday that his stay in the Netherlands had shown him "what the world should be, how it could be."

"He will not be frightened," she said.

U.S. Is Ready to Talk With Soviet About Resuming Direct Air Travel

By Bernard Gwertzman
New York Times Service

WASHINGTON — The United States has told the Soviet Union that it is ready to open talks next month for resuming direct air travel between the two countries, Reagan administration officials said.

Soviet landing rights in the United States were canceled after Poland imposed martial law, backed by the Soviet Union, in 1981.

State Department officials said Tuesday that a new civil aviation pact could be ready for the meeting between President Ronald Reagan and Mikhail S. Gorbachev, the Soviet leader, in Geneva on Nov. 19 and 20.

They said there was little likelihood of progress in arms control or on regional issues. But they said that substantive accords on civil aviation, on cultural, scientific, technical exchanges, and on consular affairs could help put relations on a sounder basis.

The decision to go ahead with the aviation talks was part of a policy advocated by Secretary of State George P. Shultz, who wants the summit meeting to be more than a get-acquainted session. He

argued that it was important to use the occasion to make progress on outstanding issues that were amenable to solution.

Mr. Shultz will confer in New York on Sept. 25 with Foreign Minister Eduard A. Shevardnadze of the Soviet Union, and take part in Mr. Shevardnadze's meeting with President Reagan at the White House two days later. After the White House session, Mr. Shultz and Mr. Shevardnadze are scheduled to have another meeting.

Mr. Shevardnadze, who replaced Andrei A. Gromyko as foreign minister last month, will be in New York for the annual session of the United Nations General Assembly. His meetings in the United States are expected to focus on plans for the summit meeting, American officials said.

Robert C. McFarlane, the national security adviser, said in a speech last week that Mr. Reagan was not expecting any transformation in East-West relations.

"We seek incremental improvements, and we don't dismiss their value," Mr. McFarlane said. "The Soviet leadership should know that

President Reagan is ready — patiently, methodically — to take small steps forward and that we will respond in proportion to what we see from them. We should recognize that those who seek only small improvements often end up with none."

An executive of Pan American World Airways, which would be the U.S. carrier under a new air pact, said, "We are interested in resuming service."

He said that talks had already been held between Pan Am and Aeroflot, the Soviet airline, and that Pan Am was also interested in flying through the Soviet Union between Western Europe and India. He said Pan Am was considering the possibility of resuming service to Moscow in the summer of 1986 if an accord was reached.

The Soviet Union has been pressing for the renewal of landing rights in New York and Washington, State Department officials said. In fact, the Russians have been holding up agreement on cultural and scientific exchanges and on new consulates in Kiev and New York until a civil aviation accord was signed, they said.

Until recently, the United States refused to consider a new aviation pact until new safety rules had been agreed to in the air lanes of the North Pacific to reduce chances of another incident such as the shooting down by Soviet planes of a South Korean airliner in 1983 that resulted in 269 deaths.

On July 30, a preliminary accord on North Pacific air safety was announced by the United States, the Soviet Union and Japan, and shortly thereafter, the State Department proposed that talks with the Soviet Union on direct air service be held in Washington on Sept. 16, officials said.

In an unpublished meeting two weeks ago at the Department of Transportation, government officials and industry executives discussed what should be included in a new aviation accord, participants said.

Travel industry sources estimate that more than 80,000 Americans will visit the Soviet Union this year.

Direct air service was opened by Pan Am and Aeroflot in 1968 between Moscow and New York, with the Soviet airline later adding Washington, and Pan Am flying occasionally to Leningrad with charter flights. In 1978, Pan Am ceased service on the ground that it had become unprofitable.

The difference between now and when air service began in 1968, the Pan Am official said, is that Pan Am used to fly Boeing 707s the entire way from New York to Moscow, often with small passenger loads. The plan now is for passengers to fly to Western Europe on wide-body 747s and then transfer to Moscow aboard smaller 737s, he said.

The reports made no mention of Samantha's new career as a television actress.



DRY RUN — Franz Burbach of Cologne tests for the first time the modified car he wants to use to cross the English Channel. The West German man's automobile has a waterproofed engine and the specially designed tires have a diameter of 2.4 yards.

Lange Backs Down From Dispute With France

Reuters

WELLINGTON, New Zealand — Prime Minister David Lange backed away Wednesday from a diplomatic dispute with France over the sinking of the Rainbow Warrior, saying that the tone of a statement by Prime Minister Laurent Fabius had eased relations.

He said Mr. Fabius's statement Tuesday conceded the possibility of French guilt in the mining of a Greenpeace protest ship in Auckland harbor July 10, New Zealand. Mr. Lange said, would supply further police evidence sought by Paris if he were certain it would be handled responsibly.

Mr. Fabius accepted a report that cleared the French government of wrongdoing while admitting that there were "unanswered questions." He promised that inquiries would continue.

Mr. Lange said that Mr. Fabius's remarks fell short of the formal apology and "contrition" he had demanded over the official confirmation that French secret service agents were sent to New Zealand to spy on Greenpeace.

"But it is as handsome and constructive a tendering of concern as one is likely to get at this stage," he said. He said the statement had "an air of penitence about it."

The Rainbow Warrior was preparing to lead a flotilla against French nuclear tests in the South Pacific when it was sunk by two explosions. A Greenpeace photographer was killed.

The Paris statement was the first official French reaction to the report by a senior civil servant, Bernard Tricot, and to the press skepticism about his findings that a French intelligence agency, the

General Directorate for External Security, was not directly linked to the sinking.

In a radio interview, Mr. Lange described Mr. Fabius's statement as very conciliatory.

He stuck to his earlier suggestion that France recall Ambassador Jacques Bourquin for consultations. But he said: "I would not want to take the step of rupturing what is clearly an emerging, constructive dialogue with France by dispatching the ambassador."

He criticized as provocative Mr. Fabius's remark that no one should be surprised that France was vigilant in maintaining its interests.

Mr. Lange said Mr. Fabius had distanced himself from the report and that Mr. Tricot had "made an international fool of himself."

In Paris, opposition newspapers said Mr. Fabius had not cleared up the scandal. The conservative Le Figaro accused him of indulging in "verbal contortions" that left too many questions unanswered.

"We regret to say that all of this is none too clear," it said. "Either our services are innocent and the New Zealand government and pacifist-ecologists should be told to mind their own business or doubts persist and logic requires a real inquiry."

In New Zealand, The conservative New Zealand Herald newspaper denounced the Tricot report as "outrageous arrogance."

"Even if Tricot were to pour all the perfume of Provence on the episode, it would still come out smelling like a skunk," the paper said.

In Melbourne, Australia, meanwhile, a retired U.S. admiral said that he might join the Greenpeace peace flotilla to France's test zone.

Rear Admiral Gene La Roque, a former Pentagon strategic planner, said he was eager to contribute to the drive to end French nuclear tests.

Mr. La Roque, director of the

U.K. Urgently Checking Jet Engines Similar to Type in Manchester Fire

The Associated Press

LONDON — Airlines in Britain carried out urgent checks on Pratt & Whitney jet engines Wednesday after authorities discovered cracks in some versions. The discovery occurred after the explosion of an engine caused a fatal fire last Thursday at Manchester Airport.

The checks, ordered by Britain's Civil Aviation Authority, caused cancellation of two British Airways flights from Gatwick Airport and delays to 14 other flights at airports around the country.

The checks involved the U.S. manufacturer's JT8D-15 engine, the same type of engine fitted to the British Airways Boeing 737 that caught fire at Manchester in northern England.

One of the plane's two engines exploded during takeoff, rupturing

a fuel line in the wing. The fuel ignited and 54 people died.

[The U.S. Federal Aviation Administration announced Wednesday that it was planning to order inspection of the engines, Reuters reported.]

[Other European air authorities showed no immediate sign of calling for checks. Air France said that regular checks of its 737 fleet had revealed no faults and that no special inspections were planned. It said that its fleet had a later version of the engine.]

The British checks affect Boeing 737s, Boeing 727s and McDonnell Douglas DC-9s, all widely used on internal British routes and to carry thousands of vacationers to the Mediterranean and other holiday areas.

The Civil Aviation Authority ordered that all JT8D engines that have been modified by the manufacturer and that have flown more than 12,000 hours be inspected visually, which involves stripping down the engine, or by X-ray analysis.

The step was taken after "extensive cracking" was found in six engine combustion chambers on Boeing 737s examined since the Manchester disaster, the authority said.

Preliminary investigation of the Manchester Boeing 737 accident indicates that combustion chamber deterioration could have caused overheating of the combustion chamber outer casing, leading to its failure, a Civil Aviation Authority statement said.

"Subsequent checks made into engines have revealed various combustion chambers with extensive cracking to the cooling rings and chamber heads."

Aircraft involved in the British checks that were abroad were ordered to be flown back to Britain without passengers. The JT8D, of which the JT8D-15 is one type, is the world's most widely used jet engine.

47 Executed by Iran, Paris Exile Group Says

United Press International

ATHENS — Iran executed 47 political prisoners in Tehran's Savin Prison early this month, an exile Iranian opposition group said Wednesday. There was no immediate response from the Iranian government.

In a statement received in Athens, the Paris-based Mujahidin Khalq group said the executions were carried out by Iran "to counter the rise of extensive nationwide protests and resistance against its electoral farce."

Aircraft involved in the British checks that were abroad were ordered to be flown back to Britain without passengers. The JT8D, of which the JT8D-15 is one type, is the world's most widely used jet engine.

U.S. Schoolgirl Mourned by Soviet Press

By Serge Schmemmann
New York Times Service

MOSCOW — The death of Samantha Smith in an airplane crash Sunday in Maine has been widely reported in the Soviet press. The schoolgirl who traveled to the Soviet Union at the invitation of the Soviet leader, Yuri V. Andropov, was depicted as a child who became a champion of peace after her visit.

Newspapers, television and the Soviet press agency Tass carried emotional accounts of Samantha's death. Komsomolskaya Pravda, the Communist youth newspaper, began its account Tuesday with the Tass report of the accident, then wrote: "Frightening, scolding news has come across the ocean: Samantha is no more."

The report said: "A small person with a bold heart, in her 12 years she already understood what many grown Americans do not want to or cannot understand. She spoke loudly to all of America: The innermost wish of the Soviet people is to preserve peace."

Samantha, who turned 13 in June, her father, Arthur, and six other people died Sunday in the crash of a commuter plane in rain and fog near Auburn, Maine.

Komsomolskaya Pravda said it was still receiving letters from Sa-



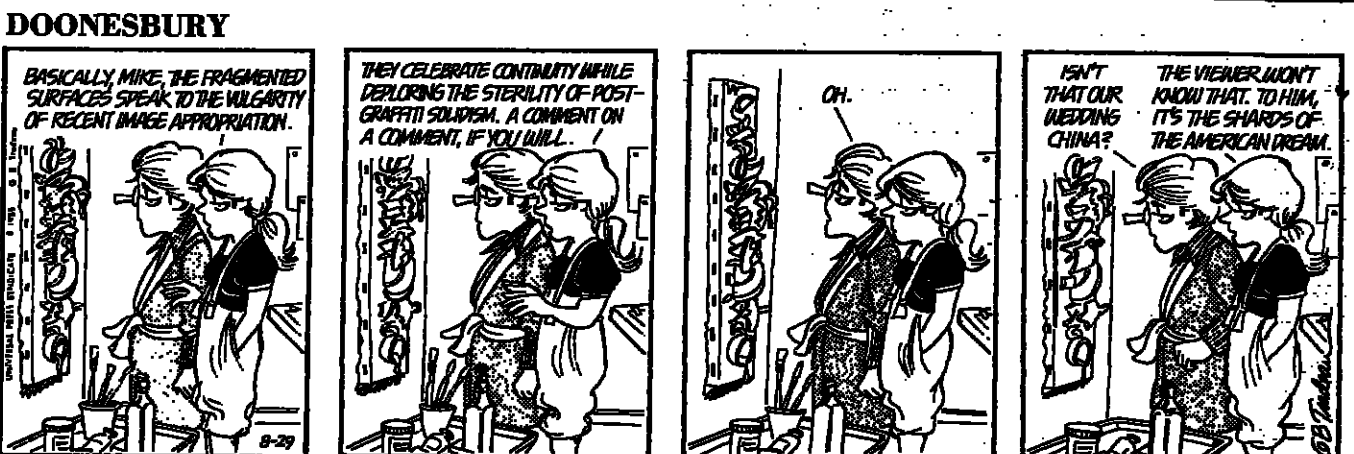
Samantha Smith

mantha, who visited the Soviet Union in July 1983. She was invited by Andropov after writing a letter asking why he wanted to "conquer the world." She did not meet Andropov on the visit, and he died in early 1984.

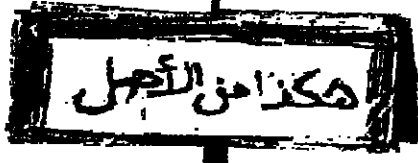
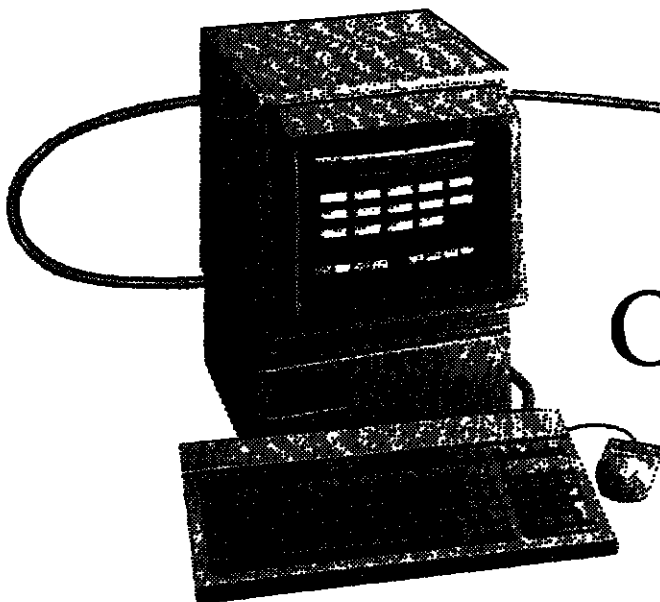
The Soviet Union made much of Samantha's visit, depicting her as someone who understood the authenticity of that nation's "love of peace." That theme continued Tuesday in the accounts of her death.

Komsomolskaya Pravda said that when Samantha returned to the United States she "dedicated many interviews and appearances on American radio and television to bring to grown-ups the truth about the Soviet people, about their love of peace, their warm yearning to live in friendship with all peoples."

The reports made no mention of Samantha's new career as a television actress.



Only Hewlett-Packard can make it so simple...



SCIENCE

IN BRIEF

Deep Dives Show Wide Range of Exotic Sea-Floor Creatures

'Passive' Alcohol Test Is Criticized

CHARLOTTESVILLE, Virginia (NYT) — Defense lawyers here have been objecting on legal and philosophical grounds to a program in which Charlottesville drivers were unwitting participants in tests of a device called the passive alcohol sensor.

In the program, police beamed flashlights into cars, purportedly to help drivers find their licenses. But a device in the flashlight measured their breath's alcohol level, a digital readout of which was displayed on a tiny screen in the flashlight's handle. The device is expected to be marketed later this year for about \$500. It was also tested briefly in Washington last year.

The device, developed by the Insurance Institute for Highway Safety, a research institute financed by auto insurers, helped double arrests for drunken driving in the three weeks it was used last fall. A later study showed that, even with the sensor, more than three in ten legally intoxicated drivers went undetected. Since the use of the sensor was disclosed in June, lawyers have said it could violate the "probable cause" standard for giving breath tests.

Lifetime Oral Cholera Vaccine Tested

ADELAIDE, Australia (Reuters) — Researchers at Adelaide University say they have developed an oral vaccine that could help eliminate cholera as a major killer in Third World countries. The single-dose vaccine is expected to last a lifetime, while the present intravenous vaccine lasts only about six months.

The oral vaccine has been tested on animals, a spokesman for the team said. The scientists, led by Professor Derrick Rowley, will begin tests on humans in the United States early next year, and the World Health Organization will carry out field trials in India or Bangladesh in 1987.

The spokesman said it was hoped that the vaccine could be on the world market by 1988. It would only cost a few dollars per dose, he said.

Psychic Research Lab's Funds Halted

ST. LOUIS (NYT) — The McDonnell Laboratory for Psychical Research, established six years ago for studies of such phenomena as extrasensory perception, mind control over inanimate objects and prediction of the future, will close Aug. 31 for lack of financing.

The McDonnell Foundation, established by James S. McDonnell of McDonnell Douglas Corp., founded the laboratory at Washington University in St. Louis and put up \$630,000 for it. But Mr. McDonnell, who believed in psychical phenomena, died in 1980 and the McDonnell Foundation recently said it would provide no more money.

Two years ago the laboratory suffered a blow when it failed to detect a hoax by James Randi, a stage magician, and two of his confederates, who convinced McDonnell investigators they could bend metal spoons with mental force.

Surprise: Food-Smoking Link Shown

LOS ANGELES (AP) — A satisfying meal increases the urge to smoke a cigarette and the pleasure the tobacco provides, a study shows. "This is not a Nobel Prize-winning paper, let's face it," Dr. Murray Jarvik told the American Psychological Association. "But it asks some important questions."

I want to find out why eating increases smoking pleasure. Dr. Jarvik, a UCLA psychiatry professor, said at the association's annual meeting: "When people try to stop smoking, the cigarette they have the most difficulty giving up is the one following the biggest meal. . . . If you could cure people of wanting that one cigarette, you'd go a long way toward stopping cigarette smoking."

In rotation on three consecutive nights, four of twelve smokers ate a solid meal of their choice, four had a liquid substitute and four had water. Questionnaires showed that craving for and satisfaction from a pre-dinner cigarette were the same for all, but craving and pleasure for a post-prandial cigarette was highest for those who ate a solid meal.

New Synthetic Anti-Dwarfism Drug

COPENHAGEN (AP) — Nordisk Gentofte AS, a major producer of insulin, growth hormones and blood plasma, says it has produced a genetically engineered growth hormone identical with the human hormone and expects to market an anti-dwarfism drug next year.

A spokesman said genetically engineered growth hormones developed in the United States and Sweden had side-effects, including a reaction against antibodies, while Nordisk's synthetic hormone acts exactly like the human hormone, with no side-effects.

The company said it was making clinical tests in several countries and seeking official approval of production and waste-handling methods.

Antibody Test for Risk of Diabetes

BOSTON (AP) — Screening tests for antibodies could help identify young people who risk getting juvenile diabetes, perhaps in time to prevent the disease, researchers at the Joslin Diabetes Center in Boston report in the New England Journal of Medicine.

Dr. George S. Eisenbarth and his colleagues said one new test reveals antibodies that attack specialized pancreatic cells that produce insulin. When these islet cells are destroyed, the result is juvenile diabetes, whose many side effects include blindness and kidney failure.

The report said that the test was still too cumbersome to check everyone's susceptibility, but that simpler versions should be possible. It would then be "imperative to screen the whole population" if current research for a drug to prevent juvenile diabetes proves successful.

Zoos to Send Rare Deer Back to China

LONDON (AP) — Three English zoos plan to help reintroduce the Pere David's Deer into its native habitat in China, where the animal has been extinct for 46 years. The London Zoo says it and the Chester and Marwell zoos will send 30 deer next year to a preserve near the Yellow Sea, 150 miles (240 kilometers) northeast of Shanghai.

The deer is named after a French naturalist who bought a number of them in 1865. The 16 that survived the trip to the West formed the core of the world's current population of 1,500.

By Walter Sullivan

New York Times Service

EXOTIC deep-sea life forms, creatures once thought to thrive only in scalding, sulfur-rich water far below the last feeble penetration of sunlight, are being found in a rapidly growing number of habitats on the ocean floor, biologists report.

More and more animal species related to those that do not depend on sunlight and other life that it affects are being cataloged in deep ocean trenches bordering continents and island arcs, as well as near the oceanic hot springs where such species were first discovered a decade ago.

The animals, including giant tube worms, clams, mussels and more bizarre life forms, live in isolated colonies spread over a wide and varying geographical range, more than double the area once thought, posing baffling evolutionary questions. Recent reports suggest that these may be the life forms most likely to survive an all-out nuclear war. They may also be examples of what life might be like on other planets.

Indeed, exploring one of these ocean-bottom communities can be like a visit to another planet. A dive to the floor of the Sea of Cortez by the deep-sea craft Alvin revealed the stark, eerie world more than a mile below the deepest reaches of sunlight.

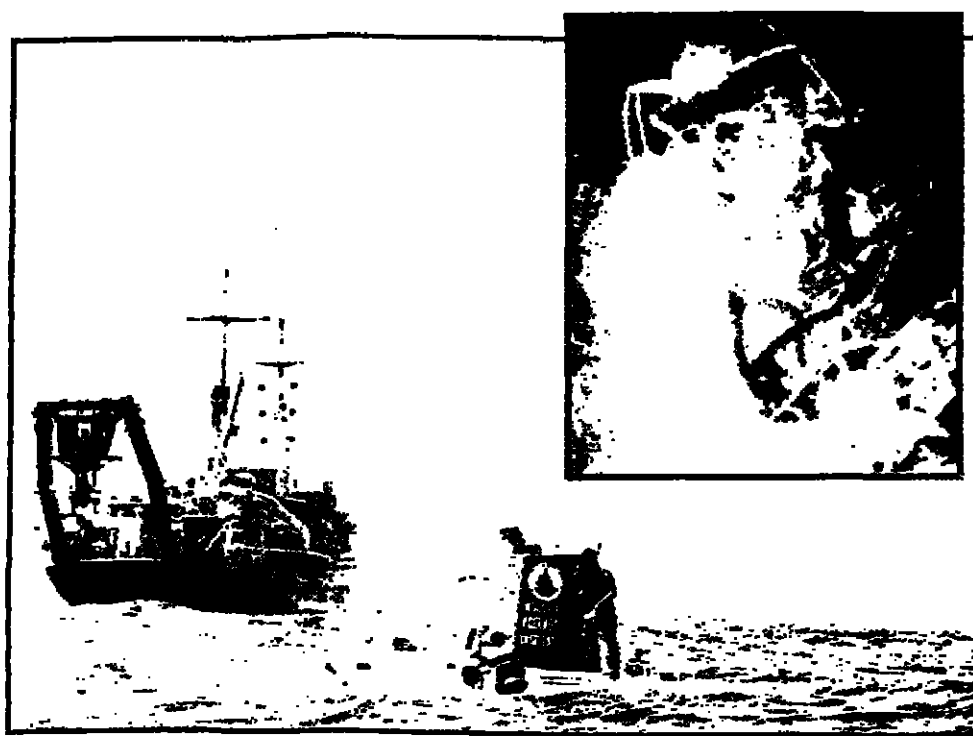
The Alvin is a highly pressure-resistant titanium sphere, 6 feet (1.8 meters) in diameter, enclosed in a small, battery-powered submarine; a normal submarine hull would be crushed under the weight of a mile of ocean. Each of the sphere's three occupants, the pilot and two observers, has a saucer-sized porthole designed to withstand exposure to the intense heat of a seabed thermal vent. The air inside the sphere is kept at sea-level pressure and composition by a system similar to a spaceship's.

In the long countdown required before submergence, checking out life-support and propulsion systems, the capsule becomes uncomfortably hot in the subtropical sun. But it cools rapidly in the hourlong journey to the ocean bottom. The light fades and the Alvin enters the lightless world of the deep.

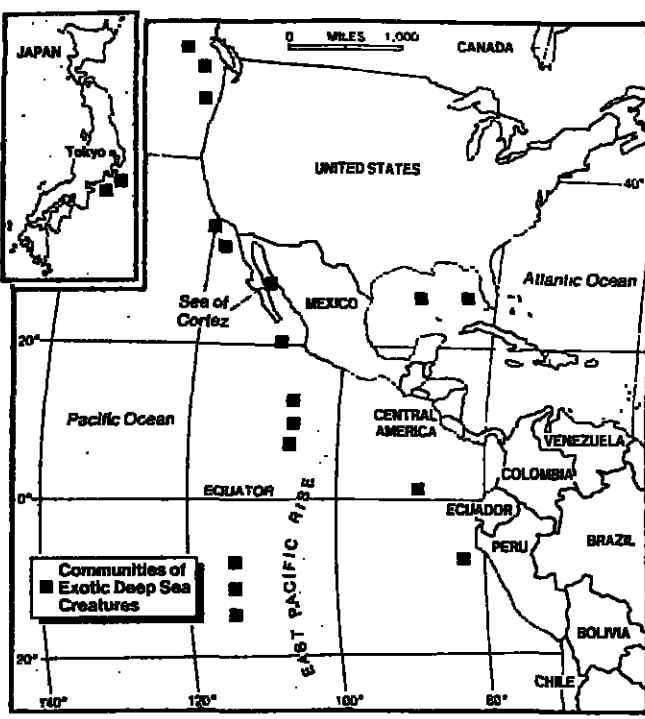
If the submarine lands first between the clusters of hot-water vents, the sea floor is a desert. Through the porthole one can see occasional galatheid crabs and a few eel-like fish, their eyes wide with apparent amazement at the brilliant lights shining from the submarine. Such fish normally see only the faint bioluminescent lanterns carried by their species and other bottom inhabitants.

Yet only a few dozen yards away geysers of scalding water heated by deposits of molten rock erupt from the sea floor, nourishing an extraordinarily rich complex of organisms, large and small.

The geysers, which scientists call "black smokers," have created forests of barite pinnacles, some 60 feet tall, to which cling clusters of Pompeii worms held rigid by their



The Alvin after launching in the Sea of Cortez. Inset, a spider crab feeding on tube worms.



The New York Times

parchment-like sheaths. The worms seem impervious to the searingly hot metallic particles. Only because of the extreme pressure at this depth, 6,644 feet, does the water not boil.

Nearby are thickets of four-foot-tall tube worms, topped with blood-red plumes that sway gently in unseen currents. The plumes extract highly toxic hydrogen sulfide from the water to be transported by the worms' blood to an internal organ packed with sulfur-digesting bacteria. The bacteria manufacture food and produce energy, much as green plants use sunlight. Fish and crabs graze on the tube worm plumes like sheep in a meadow.

Other animals in this rift, a zone where the sea floor is being split apart by the complex motions of Earth's giant plates, also depend on such bacteria. In a number of the rift zones, red-blooded clams as big as dinner platters carry bacterial feeders in their gills and crowd the cracks in the sea floor from which sulfur-laden water seeps.

The Alvin belongs to the U.S. Navy and is operated by the Woods Hole Oceanographic Institution of Massachusetts, whose research vessel Atlantis II is the Alvin's mother ship. The Alvin is lowered into the sea and retrieved with an A-frame launching system that enables it to be used even in fairly rough seas.

Sightings From Hawaii Indicate Neptune Has Satellites

The Associated Press

HONOLULU — Two telescopes in Hawaii have found evidence of satellites in orbit around Neptune, the operators of one of the telescopes say.

Indications of small objects in orbit around the planet were seen with the Canada-France-Hawaii Telescope Corp. telescope and the National Aeronautics and Space Administration infrared telescope, the Canada-France-Hawaii group

said in a news release Monday. Both telescopes are on top of Mauna Kea on the island of Hawaii.

The sightings occurred Aug. 19, the release said.

The discovery of the orbiting objects has important implications for the Voyager II spacecraft, the announcement said. The approach of Voyager II, which is to rendezvous with Neptune in four years, may need to be changed as result of the discovery; otherwise, the space

probe could collide with the planet's satellites.

Observations of rings or satellites around Neptune, the fourth largest planet in the solar system, have been reported for a number of years. The reports have been few and often inconsistent.

The Canada-France-Hawaii group said this sighting came when an international team of scientists had gathered for an occultation, a rare event where the planet "passes

directly in front of a distant star and for a time blocks the starlight from reaching the earth."

The bright star disappeared behind Neptune, reappeared 73 minutes later, then dimmed a bit 13 minutes later for fewer than two seconds, "indicating the presence of an object or group of objects" in orbit around the planet.

Jupiter, Saturn and Uranus are the only planets now known to have ring systems.

The sample reportedly emitted a putrid smell, but there was no evidence of abundant hydrogen sulfide.

This suggested, as deduced from a similar haul off Oregon, that such communities use some other chemistry, such as oxidation of methane or ammonia, as their energy source. Whether those substances are of volcanic origin or derived from organic matter deposited in the sediment long ago is uncertain.

As reported in the journal Nature, at least two more such colonies have been found, and recorded images appear to show tube worms. One dive was by the Japanese craft Shinkai in 4,300 feet of water near the Izu Peninsula. The other was by the Nautilus at a record depth of 18,504 feet on the steep inner wall of the Japan Trench. Both were in water only slightly warmer than the frigid temperature characteristic of the sea floor.

The dives off Japan also identified two submarine volcanoes riding the sea floor toward annihilation in the trenches. One, the Dai-ichi Seamount at the south end of the Japan Trench, is comparable in size to Mount Fuji.

Colonies of exotic life have been found in two other areas. One was discovered on an Alvin dive last August where a small section of Pacific floor is descending under Washington and Oregon — the process believed responsible for volcanic activity such as that of Mount St. Helens. No trench is visible there because it is filled by sediment from the Columbia River.

Live giant clams have also been dredged from the deep trench off Peru. The trenches, worldwide, appear to harbor such exotic species, which, in the view of Dr. Edwin Suess of Oregon State University, triples the extent of their known habitat.

Similar communities have been discovered in substantially different environments under the Gulf of Mexico. A fissure jammed with tube worms was found by the Alvin where, at a depth of 12,664 feet, the limestone formation on which Florida rests emerges as a great escarpment from the deep-living Gulf sediments.

Giant mussels collected there are being studied by Dr. Ruth Turner

of Harvard University, who said some were almost eight inches long. It is suspected that their energy source is hydrogen sulfide or ammonia from the sediments rich in oil synthesized with the aid of sunlight long ago.

Oceanographers from Texas A&M University have hauled up more than 1,700 pounds of such animals from an area of oil seeps near the outer edge of the continental shelf 150 miles off the Louisiana coast. Giant clams have also been reported in metal-rich hot springs along the Mid-Atlantic Ridge.

The Alvin, which was built in the 1960s, once swamped and sank on an early dive, with no one aboard. On a later dive it became trapped among rocks several thousand feet down on the mid-Atlantic rift and escaped only after careful coaching from the mother ship.

On this descent — its 1,595th — there were no mishaps. The final rupture, on ascending after many hours in the black depths, is seeing the returning light of the sun, upon which all life depends, except in communities like those below.

Baccarat
30 bis, Rue de Paradis
75010 PARIS
(thru the archway)
Tel.: 770 64 30
When in Paris...
visit our Museum
and showrooms
Open Monday - Friday
9 a.m. to 6 p.m.
Saturday 10 - 12 a.m. - 2 - 5 p.m.
Also in selected stores
near your home.
Catalogue on request

Every piece of jewelry has a story to tell.

ilias LALAOUNIS
PARIS - 364, RUE ST-HONORE (PLACE VENDOME)
GENEVA - "BON GENIE", ZURICH - "GRIEDER"
ATHENS - 6, PANEPISTIMIOU AVENUE
HOTEL GRANDE BRETAGNE & ATHENS HILTON
MYCONOS, CORFU, RHODES
NEW YORK - 4 WEST 57 TH STREET & FIFTH AVENUE

Access to Large Computers... ..linked to Word Processing... ..linked to Graphics... ..linked to Plotters... ..linked to Electronic Mail... ..linked to Printers...

...to turn your department into a powerful team.

Now with Hewlett-Packard's new Personal Productivity Center, you and your colleagues can work together more productively. Both individually. And as a team.

Because everybody has access to all the tools they need. Such as data processing. Electronic communications. Advanced word processing. And shared software and peripherals.

All linked together. At last.

And all instantly available at your command. From your own powerful personal computer.

As a manager or professional, for example, you can easily organize detailed information. So it's more meaningful. More useful. Such as adding graphics to the information you've tapped from local and remote data bases. And then sending it electronically to a colleague across the hall. Or around the world.

Your secretary and clerical staff have the support of powerful and advanced word processing. And much more. They can quickly access mailing lists from mini-computer data bases. Add presentation graphics to your reports. Transmit them back to you instantly for review. And then prepare slides and charts.

Hewlett-Packard's Personal Productivity Center. It puts right at your fingertips relevant and accurate information.

With the power to analyse it. Manipulate it. And communicate it. Simply and easily.

It's the kind of forward thinking - and innovative solution to today's office needs - you'd expect from Hewlett-Packard.

Simply call your nearest Hewlett-Packard office today.

Or write to: Michael Zandwyken, Hewlett-Packard B.V., Dept. C0301, P.O. Box 529, NL-1180 AM Amstelveen. We'll show you how simple it is to turn your department into a powerful team.

The Personal Productivity Center

hp HEWLETT PACKARD

The Dust Isn't American

It is as though the Reagan administration had been sprinkled with a chemical that allowed it to be tracked across the roughest and remotest diplomatic terrain: sprinkled with something that would "tag" anyone the administration now reports that the Russians sprinkled on and about Americans living in Moscow, the better to spy on them. You can tell it is the Reagan administration by the prickly quality of its exchanges with the Soviet Union and, perhaps even more, by the anxious, tiresome quality of much American criticism of administration policy.

It should surprise no one that the Soviet police may have used a chemical powder to track Americans in Moscow; other intelligence agencies may do something similar. Furthermore, it is in character — and here is the alarming part — for the KGB to have used a chemical either knowing or not knowing and not caring that it might harm those who were trusted with it. The State Department, having learned of the new tests and measurements that the dosage rate would be, surely was right to sound an alarm. The department recalls, as it should, the resentment stirred among American diplomats by the official failure to tell them of the possible risks of an earlier Soviet counterintelligence operation involv-

ing microwave bombardment of the embassy.

In the current instance, the warning to Americans and the protest to the Kremlin were bound to come off as something other than strictly humanitarian in origin. The United States does not enjoy a relationship with the Soviet Union that allows for the early and discreet treatment of such questions.

The Soviet government is countering with a familiar combination of asserted innocence and polemical overkill. Domestic criticism of the administration's approach is another matter. Again, the onus is being put not so much on the suspected Soviet act as on the American response to it. Thus does a police operation mounted by the Soviets become a "controversy" in which the American side is the principal one held to account. To the president—in order to indict him for somehow jeopardizing the forthcoming Reagan-Gorbachev summit—is being attributed precisely the capacity for planning events that he is otherwise faulted for lacking.

We do not think the prospects of the summit have been altered in the slightest. We think that the Soviets should stop the dusting at least until a fair determination is made of what its dangers may be.

—THE WASHINGTON POST

No Winking at Apartheid

President Reagan thinks that apartheid is repugnant, in which belief he is joined by most civilized people. He also thinks that apartheid is disappearing, that segregation has ended in South Africa under a "reformist" regime reacting to a civil rights movement resembling that of the American '60s. In this belief he is joined by no one who cares about life and liberty and the South African blacks.

If Mr. Reagan believes what he says, he has not yet grasped the essence of apartheid. If he does not believe what he says, the explanation is more troubling: that he assumes that Americans do not care if their president misrepresents as "substantial changes" a recent chain of negative events in South Africa. The issue is not how America can best use its limited influence with the whites who subjugate a huge black majority. The issue at the moment is simpler: Why does Mr. Reagan volunteer such a richly cosmetic portrait of racism, when the act of doing so aligns him with the oppressors?

The president's aides have lamely corrected the most obvious misstatement, made in a radio interview. It is not true that, as he said, segregation in hotels and restaurants has "all been eliminated." The White House says he meant "not totally." Even that is an overstatement; perhaps a few dozen hotels and restaurants in large cities have been desegregated.

Mr. Reagan claims that blacks "can buy property in hitherto white areas." Some blacks can buy leasehold rights for land in black townships, but only in Soweto has this policy

taken effect; and nonwhites may not buy or rent property outside their designated "group areas." Blacks can indeed join trade unions, as Mr. Reagan said, but their right to strike and bargain collectively is restricted. It is true that the Pretoria regime has ended its ban on racially mixed marriages; but nonwhite spouses cannot live in areas designated as white, or send their children to white schools.

And how meager is even this list. Look at what is missing. Voting rights are denied to blacks. The school system remains grotesquely unequal. Nonwhite dissent is systematically suppressed; for weeks now the government has used emergency powers to rout demonstrators and detain their leaders.

Neither did Mr. Reagan make any reference to President P.W. Botha's failure to deliver the reforms that Washington believed he would announce two weeks ago. This silence contrasts with the views of the national security adviser, Robert McFarlane, who says that the failure to pursue reform is bringing South Africa to the abyss of massive violence.

Even presidents can be glib, renege or mistaken — but rarely without effect. What hurts most about Mr. Reagan's ramble is that it will be taken seriously by South Africans of all races as they try to fathom where America stands. Mr. Botha and apartheid's victims may both read his woolly words to mean, wrongly, that most Americans are willing to speak piously but wink at monumental racial injustice.

— THE NEW YORK TIMES.

Competition Via Satellite

American regulators have decided to let a few private companies launch their own international communications satellites. Until now that was permitted only to Intelsat, the 109-country consortium that controls the business, and its decision is good news. Competition could bring more efficient use of this dazzling technology. But the U.S. Federal Communications Commission's action is only a small first step. If most of the world is to reap the benefits, Washington will have to persuade regulators in other countries to let competition develop. Intelsat, organized under U.S. leadership in 1964, runs a fine communications network. Its 16 satellites, parked over the Atlantic, Pacific and Indian oceans, have cut costs of international telephone calls. That being the case, why the drive in Washington to allow private competitors? Because Intelsat subsidizes low-volume users at the expense of heavy users. The pricing system pleases the politically sensitive managers of telephone systems in dozens of smaller countries; it keeps their costs down. But their gain is at the expense of businesses like banks that need to move very large amounts of data between offices. The present approach has thus created an enormous profit potential for satellites dedicated to high-volume use — and pressure to permit them.

Last November, feeling the pressure, the Reagan administration chose the blandest compromise it could find. It blessed satellite competition in principle but recommended it only if new entrants were barred from sending messages through local telephone systems. That restriction presumably would let satellite

operators satisfy specialized communications needs without cutting deeply into Intelsat revenues. The FCC has since followed the administration's lead, licensing only satellites that serve offices within the same company.

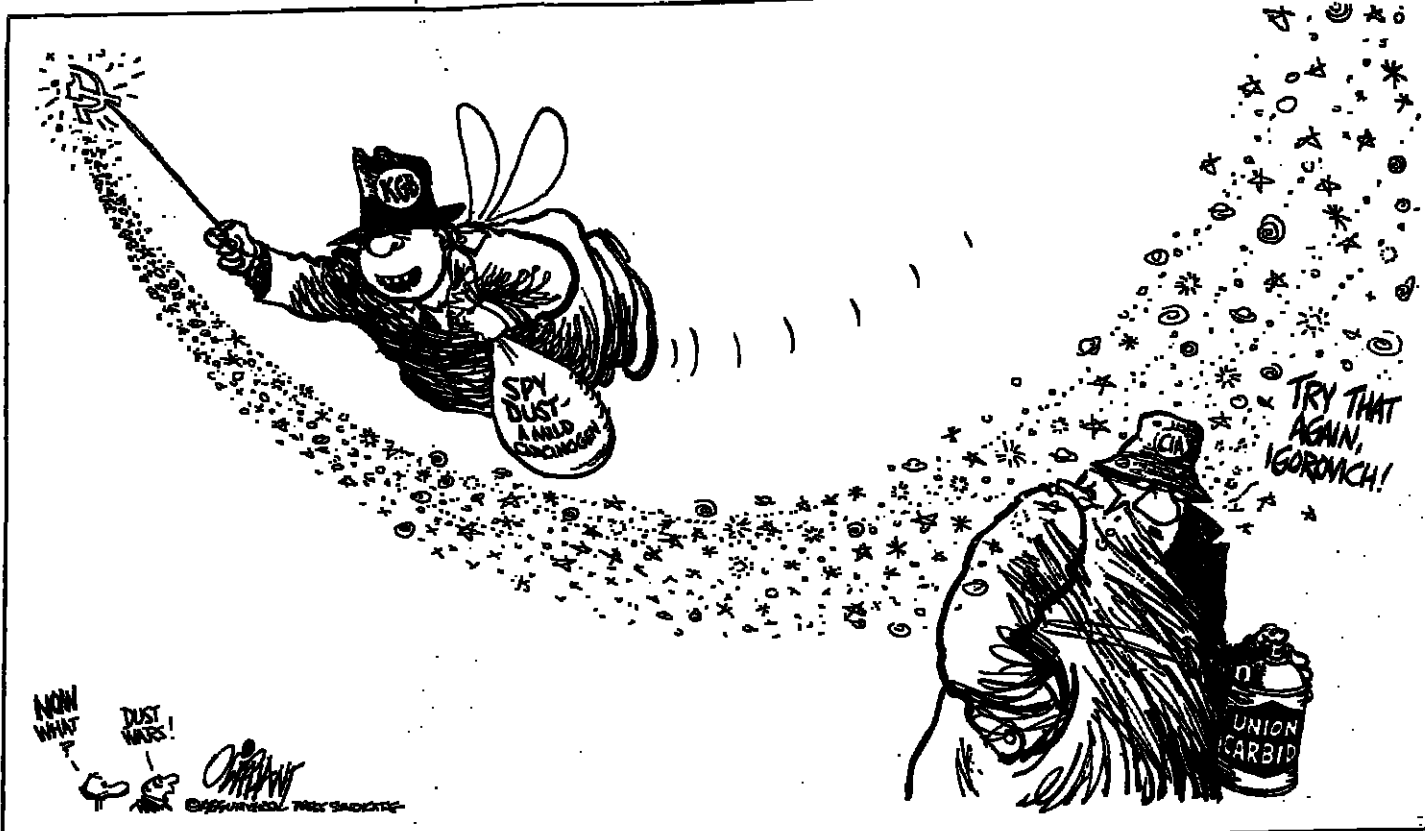
That is not the end of the story. Intelsat claims to serve poor people by holding down the cost of satellite links to poor countries. In fact, most users who are international companies that can afford to pay. In any case, the charges for the satellite link are typically only about 10 percent of the cost of an international call. The rest is paid to local phone companies that often overcharge international customers.

Reagan administration deregulators hope that the limited experiment with competition for business users will lead other consumers to demand equal treatment. But there is no need to wait passively for other governments to get the message. U.S. telephone regulators would be wiser to imitate airline deregulators, negotiating open competition with a few sympathetic countries. Once cheap telephone service was in place, to say, the Netherlands, West Germany would have a tough time resisting the example.

International communications competition might stimulate the development of new technology and new services. At the very least it would make better use of existing satellite capacity by linking prices to costs. But competition will not come quickly — and maybe not at all — without more help from its friends.

The FCC's modest experiment is fine. A broad deregulation strategy, one formulated by the administration, would be a lot better.

— THE NEW YORK TIMES.



Pro: America Is Entitled to Bar Excessive Imports

By Lloyd Bentsen

The writer, a Democrat, is a U.S. Senator from Texas and co-sponsor of a bill to impose a 25-percent surcharge on imports from several countries.

WASHINGTON I have seen a free-trade bill my life, but it is time to put this basic belief. Free trade assumes some reasonable balance among nations, but that is no longer true in today's world of government-directed trade. A heavy imbalance in trade is causing a substantial transfer of wealth, impoverishing some nations while enriching others.

The United States has had a trade deficit in all but two of the last 25 years. Manufacturing, the base is eroding daily. Managers of American companies, determined to keep their world market share, are moving facilities overseas, leaving unemployed workers at home. Since 1979 we have lost 1.7 million manufacturing jobs. We are building plants abroad, sending away jobs that in all likelihood will never return. This year the United States became a debtor nation for the first time since 1914. Our current trade deficit stands at \$190 billion, a record since \$11 billion in 1990.

Critics of legislative intervention to ease this terrible imbalance say that it

is really America's fault, the result of self-inflicted wounds. They cite the bloated dollar. They point to management's failure to shoddily work the ship, the propensity of American consumers to spend instead of save, a lax educational system.

There is some justification for these assertions, particularly about the dollar rate, which is caused partly by huge budget deficits and the consequent high interest rates, which attract competition for dollar investments. We have taken a modest first crack at reducing the deficit. But it is going to take time to make long-term corrections, and what we must do now is buy that time.

The first principle to establish is a coherent trade policy. Second, we must establish an aggressive trade policy that insists on more balance in our trade, even if we have to take the

extraordinary step of setting a fixed ratio between exports and imports. Who in charge of trade in Washington? Nobody and everybody. One day it is the Defense Department, which does not want to upset the European Community over agricultural subsidies because we are trying to persuade our partners in NATO to accept cruise missiles. The next day it is the State Department, which vetoes an attempt by our trade representative to open up Japanese markets because Japan votes with us in the United Nations and is one of our most important allies.

So it goes. When the United States volunteers to lead in to end import quotas on cars from Japan earlier this year — without seeking anything in return — a State Department official was quoted as saying he was pleased because "I was embarrassed by the

Anti: Import Tariffs Are a Cover-Up

By Hobart Rowen

WASHINGTON—Trade legislation will be the big story after Labor Day ends Monday. An angry U.S. Congress, convinced that Japan has continued to run an "unfair" trade surplus with the United States, will try to pass retaliatory measures.

A Democratic proposal to slap a 25-percent extra duty on imports from Japan (with Taiwan, South Korea and Brazil thrown in for good measure) will get a big push in the House. Republican-sponsored bills make a different approach, but all are directed to the same end. With worsening monthly trade statistics predicting this fall, the result will be scarce headlines and the sky-is-falling bulletins on the evening news.

President Reagan's gussy decision not to yield to pressure for stiffer quotas on shoe imports may merely whet the protectionist appetite on Capitol Hill, adding to the charge that the administration has "no policy" on trade. Senate Majority Leader Bob Dole, it should be noted, preferred while junking in Asia that Congress is "going to take back" trade policy from the White House.

The backdrop for big protectionist drives is an economy much weaker than the administration and many private forecasters had expected, with no real signs of a predicted resurgence. A certain unease about the direction of the Reagan administration in its second term, and about the health of the president, may be contributing to the concern.

But the major problem clearly is the strong competition from imported goods. This is adversely affecting

manufacturing businesses in America will continue to do so for as long as the dollar continues to rise.

If Congress goes protectionist, the result will make only a small dent in a global U.S. trade deficit running at around \$150 billion a year — and at the expense of touching off a trade war and inflation in consumer prices.

Quotas and import surcharges are a cover-up for industrial weakness, not a solution of the basic problem.

In "The Competition: Dealing With Japan," published by the Hudson Institute, Thomas Pepper, Merit E. Janow and Jimmy W. Wheeler make a key point: "The Japanese are not responsible for the revitalization of the U.S. economy. That depends on the attitudes and actions of Americans themselves."

American businessmen for too many years have taken it for granted that their products are the best. But customers around the world have another view. From videotape recorders to microwave ovens to telephone-answering machines, the Japanese have taken ideas or inventions created by others and successfully applied modern methods to marketing and merchandising. What has happened to the old Yankee trader spirit?

Let the obvious lesson for American managers and workers to rereadicate their skills to marketing and to product quality, the Japanese and American governments must make some sensible policy actions.

Having profited in a spectacular

way from global trade expansion, Japan has a clear obligation to do what is necessary to keep the global economy functioning smoothly. There can no longer be a single-minded Japanese dedication to export-led growth. The Liberal Democratic Party leader, Kiichi Miyazawa, made the point at a recent visit that Japan must now emphasize housing and other goals that will enhance the Japanese quality of life, and must expand its real capacity to import foreign goods.

On the American side, the first priority should be to deal with the overvalued dollar by taking serious measures to reduce the federal budget deficit. Economist C. Fred Bergsten's rule of thumb is that each one-point shift in the exchange rate is worth about \$3 billion in the trade deficit. Over the long run, a 20-percent fall in the dollar would cut the trade deficit by about \$60 billion.

Expansion of the economies in Western Europe, coincident with similar steps in Japan, would work to achieve a better trade balance and more sensible currency relationships. If the European countries are to meet the competitive challenges from Japan, there should be a new American commitment to education, especially in math and the sciences.

Mr. Reagan should be applauded for his stand on shoe imports and for his general resistance to the protectionist urges of Senate Republicans. But he must supplement his "free trade" posture with a realistic program to ease the impact of import competition on employers and jobs.

The Washington Post.

It Was an Adult's Job That a Girl Did

By Ellen Goodman

BOSTON — On Sunday night, Jane Smith left the airport where she was waiting for her husband Arthur and her daughter Samantha, and she rode instead to the crash site. The plane, her husband's plane, her daughter's plane, "it was just a pile of ashes," they were simply, suddenly gone.

Later on someone would find one thing unscathed on that charred piece of Maine earth: the script of a television show that Samantha was going to star in. The script became the postscript to a life ended at 13.

In the hours after her death, public figures and private friends said that the accident had "captured our imagination" or our "hearts," or at least our attention. She did not do it by winning any gold medals. She was not precocious, not a child prodigy.

She was just a kid who thought like a kid. She woke up one morning in Maine when she was 10 and "wondered if this was going to be the last day of the Earth." She read about the arms race and thought, "It all seemed so dumb to me."

She was just a kid, musing that only an unsophisticated kid might do, in the years before diplomacy breeds directness out of them, before cynicism and a sense of powerlessness sets in. She wrote a letter to the Soviet leader. "I have been worrying about Russia and the United States getting into a nuclear war," she told Yuri Andropov. "Are you going to start a nuclear war or not? If you aren't, please tell me how you are going to help to not have a war."

Mr. Andropov wrote back with an invitation. Come, he said, "see for yourself." So she did.

In 1983, Samantha Smith went to

the Soviet Union, accompanied by parents and photographers, tracked by commentators and columnists. Some complained that she was a "tool" of Soviet propaganda, a "dupe" of the Soviets. Others wondered if we were making too much of a fuss about her.

I was amused at the adults who worried about this adventure. I could not imagine what we had to

***'I feel really weird
being asked about
peace all the time.'***

fear from a goodwill trip, from one 11-year-old American learning and saying good things about 11-year-old Soviets, from a little girl from the East carpet treatment.

As for the fuss over Samantha, I thought then and now that we often let children like her voice our pleas for peace. We push the young forward, we hand them the pens or the microphones, we encourage them to say what is in their hearts, we let them speak in their own words of their fear of sounding naive. Children often do not worry about sounding "childish."

When Samantha came home, she wrote about her experience: "I mean, if we could be friends by just getting to know each other better, then what are our countries really arguing about? Nothing could be more important than not having a war if a war would kill everything."

Adults cannot say such things

nymore. Adults must talk about SALT and START treaties, about "star wars" this and MX that, about parity and verification. Adults must be suspicious, candid. At the Boston Roundtable discussions on peace policy last week, Marcus Raskin of the Institute for Policy Studies put his finger on it. "At the present," he said usefully, "people are very committed to being non-utopian. They don't want to look like fools."

So we ask children to express the fears that we share and the idealism that is, finally, our hope.

The teacher about the search for a child to lead us. It is a kind of abdication of power. Two years after her trip to the Soviet Union, Samantha Smith said, "I feel really weird being asked about peace all the time." Adults, after all, are supposed to figure it out.

It is lousy to write an obituary for 13-year-old. I cannot imagine a 13-year greater than that of losing a child unless it is also losing the child who could share that pain.

It is the brief life of Samantha Smith's celebrity were full of highlights: a school, a book, a part in a television serial, carrying a script from London back to Maine on a soggy, rainy Sunday night.

But she told a reporter in May: "When I am 16 I want to get my driver's license. After that, who knows? I want to be like the countless other kids who live in big cities and think about bombs. Samantha Smith just wanted to grow up."

Here comes something naive, idealistic and utopian from a credible adult: Kids are like that on both sides of the Iron Curtain.

Washington Post Writers Group.

These Fields Are Alive With People

By Anthony Lewis

CHENGDU, China—Huiyao has started in Sichuan province in southwestern China, and the scene is classic. The visitor's eye sweeps across a checkerboard of ripening rice, climbing beans, squash, tomatoes, sweet potatoes, eggplant, sugarcane. The hot red peppers that spice Sichuan food are drying on straw mats at the edge of the road.

The Chengdu plain, watered by a 2,000-year-old irrigation system, is probably China's richest land. As American seers its extraordinary beauty and fertility think it is part of his own country's grain-farming land.

But there is one overwhelming difference: population. When the traveling foreigner stops for a moment to look or take a photograph, what seemed to be the lonely fields turn out to be something else. Within minutes a cloud of peasants materializes from those fields to crowd at the stranger.

10, 20, 50, they crowd around.

One of them is a woman carrying a basket that she has filled with greens. Her name is Xugui Fang, she says—33 years old, with a 6-year-old daughter.

People's Liberation Army, but now he is back home farming with her.

What did they grow? I asked. Rice and sweet potatoes at this season, she said; later, wheat and vegetables. It sounded like a fair way to make a living as farmers. They thought to ask for a small land they worked.

The answer was that peasants here are allotted one-seventh of an acre (580 square meters) per person in the household. Counting wife, husband and child, that meant her family farmed less than half an acre. Similarly, a few miles down the road I talked with a group of peasants and discovered that they had a third of an acre each to farm.

In my ignorance I had assumed that the beautiful vistas of the Yangtze plain were divided into tracts large enough so that a hard-working family could make substantial income under Deng Xiaoping's "responsibility system," allowing peasants to plant what they wish and market their crops on their own after selling a basic amount to the state.

But I had reckoned without the fundamental fact of Chinese society: the numbers of people who have to share what resources there are, including land. The amount of land available to a peasant family in any area is a question of dividing the available land by the numbers.

Sichuan is a huge province, the size of France, but its population is over 100 million now. And the larger part of its land area is useless for agriculture — the beautiful mountains running up to Tibet, for example, where the last wild giant pandas live.

The figures explain why the scene as one drives through is so incredibly hardy. There is hardly a weed in sight, hardly a strip of wasteland. Every inch is planted. It has to be.

Nothing read in a book can prepare you for the mass of the population in China. In booming urban like Chengdu it is hard to keep aloof in the sea of bicycles and carts and people. Even country villages can make you feel claustrophobic.

Experiencing that overwhelming reality gives one a different view of the issue that has caused such friction recently between the United States and the People's Republic: population control. China expressed outrage when the U.S. House of Representatives last month approved an amendment denying population assistance to the U.S. aids to China because, it found, the U.S. condoned abortion and sterilization. The amendment said that infanticide also occurred, and that the practices "crimes against humanity."

It is a fact that coercion is used to enforce China's policy of "one couple, one child." Couples who have a second pregnancy may face severe social pressure and job problems. The farmers I met on the road in Sichuan said they would be fined the equivalent of \$350 if they had a second child and \$1,100 for a third. The propriety of the methods used to discourage childbearing is a fair question. But outsiders should not make sweeping statements about it without understanding the problem. There are over a billion Chinese now, 22 percent of the human race living on 7 percent of the world's arable land. The official aim since 1979 has been to slow the increase so that the population reaches 1.2 billion in the year 2000 and then grows no more. The policy may well fall short, not because of outside pressure but because it conflicts with human instincts. And what then? It is hard to say anything but a Malthusian struggle in the most literal sense: a struggle to live on exhausted resources, a struggle for life.

The New York Times

LETTERS TO THE EDITOR

No Parallel With Israel

Regarding "Israel Should Clean Up Its Own Act" (Aug. 22):

For a former associate of the World Jewish Congress, Mark A. Bruzonsky displays a remarkable lack of knowledge of recent Israeli history. In writing that the behavior of the West Bank Palestinians is "informed from that of the South African movement toward the black majority," he overlooks some important points. Ever since the whites invaded the southern part of Africa has the black population declared war against its oppressors; without any militarism, the blacks endured humiliation by the white minority for centuries. The Palestinians on the West Bank, invaded by Arab states, were not the black South African blacks. Three Israeli states, the West Bank, and Gaza were created. The West Bank was Arab before Israel occupied it. A defensive move. No military occupation may last forever, but the Palestinians asked for it, obsessed with

the idea of driving Israel into the sea.

Another significant difference between the situation of the Palestinians and that of black South Africans is their present economic status. Scarcely anywhere in the Arab world does a population have such a high standard of living as do the Palestinians on the West Bank.

B. STOOF
Haarrecht, Netherlands.

You have run an article by Mark Bruzonsky, the substance of which only Mr. Bruzonsky is responsible for. His residence at his terminated employment at the World Jewish Congress indicates that his views are totally alien to ours and represents a feeble attempt on his part to seek to give these views credence by attempting to make a misleading association with the World Jewish Congress.

FRIEDA S. LEWIS, Chairman
World Jewish Congress
United States

FROM OUR AUG. 29 PAGES, 75 AND 50 YEARS AGO

1910: U.S. Race Relations Improve

LONDON — Discussing the general condition of the negro race in America, Mr. Booker T. Washington said: "There is progress, both moral and material, to report in the condition of the negro, and there is also an improvement in the relations between the two races. In Europe you always hear the worst. You do not hear of progress as quickly as you do of lynchings. If the colored people build a college or found a bank, it is not noticed. But solid proof of the advance of the negro is the fact that 45 years ago only two percent of the colored population could read or write, whereas now the percentage is 57. In the South, negro banks are being established. There is practically no social mingling of the two races, but the laws regarding the segregation of the negro on the railways, for instance, are being less stringently applied."

1935: Jews Urged to Leave Germany

LUZERNER — Wholesale emigration of Jews from Germany to Palestine was recommended by Dr. Stephen Wise in an address before the Zionist congress here [on Aug. 27], "The World Jewish tribunal must in honor and truth concern itself with the German-Jewish problem. If this congress were to be silent it might well be thought by the world that the situation is not so grave as we claimed when, in truth, nothing could be more catastrophic. German Jews are like residents in a beleaguered city, or in the front-line trenches of the Third Reich's warfare on civilization." Rabbi Samuel Hild suggested that Jewish "embassies" be established in various world capitals, and that the task of these offices be carried out by executive members of the Jewish Agency or Palestine. He argued that their creation would render great service to Palestine.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, Publisher
Executive Editor **RENÉ BONDY**
Editor **ALFRED ESCOUR**
Deputy Editor **KENNETH H. MORGAN**
Deputy Editor **STEPHAN W. CONAWAY**
Associate Editor **FRANÇOIS DESMAISONS**
Director of Operations **ANDRÉ P. KRANEPPEL**
Director of Circulation **Director of Advertising Sales**

International Herald Tribune, 181 Avenue Charles de Gaulle, 92084 Neuilly-sur-Seine, France. Tel.: (1) 747-1265. Telex: 612718 (Herald), Cables Herald Paris. ISSN: 0294-8052.

Directeur de la publication: Walter N. Thayer.

Asia Headquarters, 24-34 Hennessy Rd., Hong Kong. Tel. 3-285618. Telex: 61170
 Managing Dir.: U.K.: Robert MacKichon, 63 Long Acre, London WC2E 9LJ. Tel. 836-4802. Telex 262089.
 Gen. Mgr. W. Germany: W. Lenterbach, Friedenstr. 15, 6020 Frankfurt 71, FRG. Tel. 069/726573. Telex 416721.
 S.A. capital of 1,200,000 F. RCS Nanterre 873200176. Commission Paritaire No. 61337.
 U.S. subscription: \$322 yearly. Second-class postage paid at New Island City, N.Y. 11101.
 Printed in France.

THURSDAY, AUGUST 29, 1985

WALL STREET WATCH

Contending Market Views
Keep Stocks on the Ropes

By EDWARD ROHRBACH

PARIS—Stocks, staggered by the series of below-the-belt news reports about the U.S. economy, have been taking a standing eight count since early August. And as investors themselves bob and weave, the decision is split whether Wall Street, a notorious bleeder, will get tanked—or come out smoking.

In the latter corner is Bear Stearns, whose Peter J. Canelo thinks stocks are back now in better fighting trim than they were in 1982, before the bull market started.

"Real interest rates, by any measure, have come down as much as they did then and the rate of monetary growth is even stronger than it was in 1982," he said. "So we believe the timing is very close."

What's been holding Wall Street back, he said, has been the strong dollar parrying the impact of the Federal Reserve's stimulus on the economy. He added that normally under these conditions the time lag is nine months, which, since the Fed began pumping last October, works out to about now.

Still, he is looking for to signal the economy's second wind as stabilization of spot commodity prices, notably copper and lumber, and "production numbers perking up some more."

Mr. Canelo warns, however, that on the technical side of the market, stocks must stay ranked above their long-term trend line. He noted that chartists figure this at 1,270 to 1,295 on the Dow.

"It would be just like the stock market to react to some good economic news on the economy by advancing to new highs, then retreating to that trend line," he said.

At the top of his buy list he put "building-related and durables," citing forest-product stocks and such products as cars and auto products.

'Buy the highest
beta stock
you can get
—and pray.'

ON THE other hand, he believes that consumer growth stocks are "expensive" and Wall Street could "turn brutal" against them. Here he placed broadcasting, beverages, entertainment, hospital supply, restaurants and toys.

He also thinks the technology sector will show a lot of punch in a rising economy. But rather than semiconductors, for example, he said instrumentation stocks such as Hewlett-Packard are "safer." Another favorite group is chemicals, along with machine tools, fertilizers and aluminum.

For investors who are hungry enough to take a shot at the tide, he confided: "Buy the highest beta [volatility] stock you can get—one that's come a long way off its July high—and pray."

Yet, as Marshall Acut Jr., portfolio strategist at Smith Barney, noted, "The burden of proof rests on the shoulders of those looking for a sharp pickup in the economy." But so far, with "most indicators showing little improvement," he sees a "stock-market setting conducive to declining expectations."

Charles Maxwell of Cyrus J. Lawrence sizes up the big match this way: "One of the liveliest conflicts today is between supporters of the concept that there will be a solid U.S. recovery in late 1985 and 1986, with accompanying surge of profits from manufacturing and high-tech industries, and the observers who expect a recession shortly, or at least foresee relatively low levels of GNP growth with flat to lower corporate profits except in a few special areas."

And to Greg A. Smith, research director at Prudential-Bache, "The pattern is becoming quite clear." His commentary: "We have periods when investors believe a sharp improvement is

Currency Rates

Cross Rates	Aug. 28
Australia	1.175
Belgium	36.25
Canada	70.25
France	166.65
Germany	1.36
Italy	1.36
Japan	163.65
Netherlands	20.35
Spain	166.65
Sweden	1.36
Switzerland	1.36
UK	1.36
US Dollar	1.00
West Germany	1.36
Yen	163.65

Interest Rates

Key Money Rates	Aug. 28
1 month	7 1/4%
3 months	7 1/4%
6 months	7 1/4%
1 year	7 1/4%
2 year	7 1/4%
3 year	7 1/4%
4 year	7 1/4%
5 year	7 1/4%
10 year	7 1/4%
15 year	7 1/4%
20 year	7 1/4%
25 year	7 1/4%
30 year	7 1/4%
35 year	7 1/4%
40 year	7 1/4%
45 year	7 1/4%
50 year	7 1/4%
55 year	7 1/4%
60 year	7 1/4%
65 year	7 1/4%
70 year	7 1/4%
75 year	7 1/4%
80 year	7 1/4%
85 year	7 1/4%
90 year	7 1/4%
95 year	7 1/4%
100 year	7 1/4%

China Has
Big Deficit
In Trade

Imbalance Set
At \$8-Billion

BEIJING—China registered a merchandise-trade deficit of \$7.89 billion in the first seven months of 1985 compared with a surplus of \$700 million in the year-earlier period, the official news agency Xinhua reported Wednesday.

Figures released by the Customs Bureau showed a trade volume from January through July of \$35.97 billion, comprising \$21.93 billion in imports and exports of \$14.04 billion, it said.

It said, however, that exports in July rose by 2.5 percent, to \$2.22 billion, helping to reduce the trade deficit.

"The month's total foreign trade volume came to \$5.67 billion, 2.9 percent more than for July 1984," it said.

Imports rose by 58 percent, to \$3.45 billion, leaving a July deficit of \$1.23 billion.

Xinhua said exports to Japan and the United States continued to drop in July, but increased to Hong Kong and Macao, the European Community and the Soviet Union.

Exports to the six member states of the Association of Southeast Asian Nations—Thailand, Malaysia, Singapore, Indonesia, the Philippines and Brunei—increased by 63.9 percent over July of 1984 and to the Soviet Union by 63 percent.

Most imports came from Japan, jumping 87 percent over last July, Xinhua said.

Leading imports during the month were refined sugar, logs, chemical fibers, wool, iron ore, soda ash, rolled steel and machinery, calculators, television sets, radio-recorders and vehicles.

Export gains were registered for live poultry, grain, silk and crude oil, Xinhua said.

"Some goods whose import the country is controlling rose excessively," the news agency said. "Car and chassis imports rose 4.9 times from July 1984 and imports of calculators by 10 times," it added.



William R. Rhodes

Argentina,
Banks Sign
Loan Pact

By Jane Seaberry

WASHINGTON—Argentina has signed agreements with its Western commercial bank lenders that allow it to borrow \$4.2 billion to finance its needs through the end of this year.

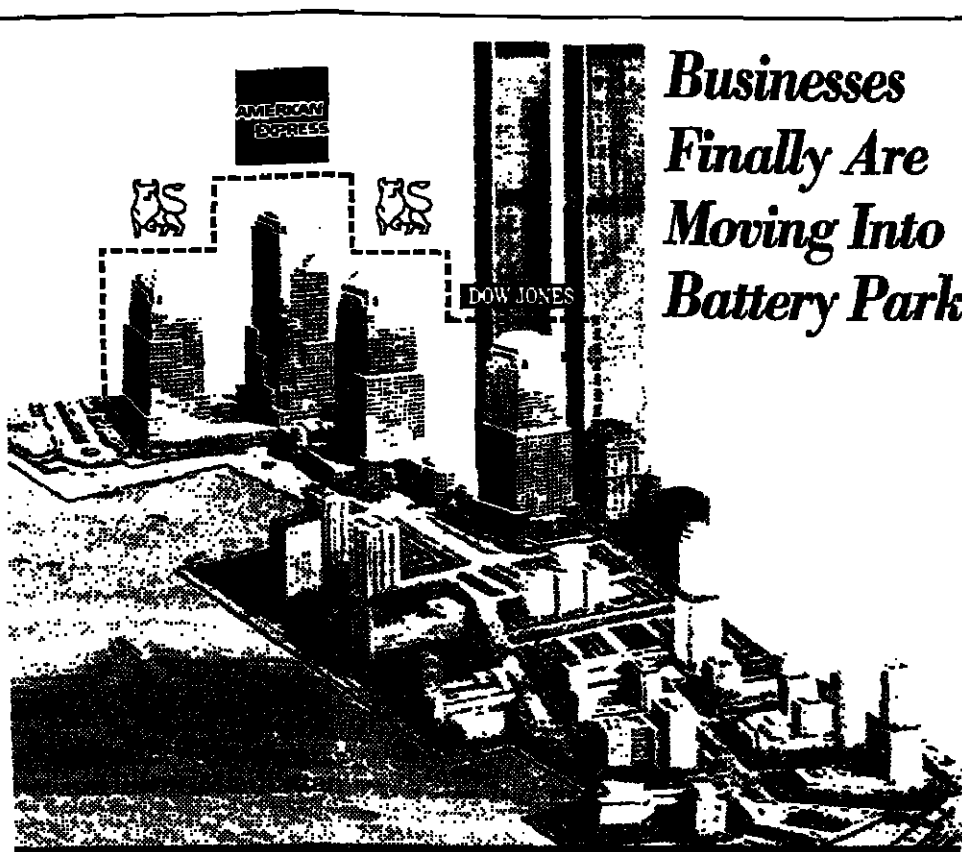
The agreement, announced late Tuesday, was delayed five hours because of what Argentine government and U.S. bank officials called technical problems.

Argentina had been unable to obtain financing from commercial banks and the International Monetary Fund since last February, after it failed to comply with the IMF's economic targets. In February, Argentina was scheduled to receive \$243 million from the fund but did not because it was out of compliance with IMF targets.

The agreement with the banks came as some other Latin American countries floundered with setting their own terms for repaying foreign debt or outright refusing to repay. However, Argentina made it clear Tuesday that it would try to follow IMF and commercial bank guidelines.

[Peru's prime minister, Luis Alva Castro, said Tuesday that Peru will be able to pay only about \$320 million on the \$2.2 billion in interest and principal coming due in the next 12 months on its \$14 billion of foreign debt, United Press International reported from Lima.]

The Argentine agreement with the banks is a medium-term loan of \$3.7 billion and other financing of \$500 million. The interest rate on the loan will be 14 percent, plus points over the U.S. prime lending rate, which is used to determine rates on loans to the best corporate customers. A fee of five-eighths percent will be added.



Businesses
Finally Are
Moving Into
Battery Park

NEW YORK—Before mammoth rejuvenation projects like Manhattan's Battery Park City ignited building booms and changed cityscapes in the nation's downtown areas, it seemed that a deadly cancer was spreading unchecked through the body of urban America.

Only a few years ago, major metropolises were facing financial ruin. Aging industrial slums and dilapidated residential neighborhoods had a choke-hold on inner cities, discouraging development. And much of corporate America, complaining about crime and the poorly educated urban labor force, fled to the lush greenery and superior schools of the suburbs.

Manhattan's downtown financial district was as battered by these forces as most others. But now, major corporations like Merrill Lynch & Co., American Express Co. and Dow Jones & Co., soon will begin moving into Battery Park City, the bold renewal project that is creating a sort of Wall Street West.

The phoenix-like rising of their collective new home is demonstrating that predictions of lower Manhattan's demise were unduly hasty—like forecasts for other downtowns across the United States.

From Boston's "combat zone" to San Diego's Horton Center, through Chicago's Loop and Baltimore's Charles Center area, the bulldozing and rebuilding of old downtown areas are proceeding at a torrid pace. Office Network, a Houston-based real estate consulting firm, reports record downtown office construction: More than 177 million square feet (about 10.9 million square meters) of space, or the equivalent of nearly 20 World Trade Centers, are rising in the 24 largest U.S. markets.

To be sure, some developers worry about the overbuilding that already has inflated vacancy rates in Denver, Miami, Phoenix and elsewhere. But promoters say that the new downtown projects, if built on strong financial underpinning and accompanied by an upgrading of services, may well prove to be the salvation of older cities.

Battery Park City, in the shadow of the World Trade Center in lower Manhattan, is perhaps the most ambitious multi-use urban project. Conceived in the late 1960s by Governor Nelson A. Rockefeller and a pet project of his three successors, it is a complex of residential and commercial buildings built on 92 acres (37.2 hectares) of landfill skirting the Hudson River. When it is completed in the next decade, its price tag is likely to be \$3 billion to \$4 billion.

Its commercial space, the World Financial Center, will house 30,000 office workers, with the first tenants scheduled to move in next month. Fueled by sharp growth in the financial services industry, which has created thousands of new jobs on Wall Street and stimulated demand for larger quarters, 90 percent of the World Financial Center's four glass and granite-sheathed skyscrapers already are rented.

On the residential side, Battery Park City's 14,000 apartments and condominiums will be home to 30,000 residents. The 1,700 apartments already constructed all are rented, with more under construction.

Bankers Concerned About Brazil

SAO PAULO—Changes in the leadership of Brazil's finance ministry and central bank, specifically the loss of advocates of restrictive economic action sought by the International Monetary Fund, could complicate efforts by the country to refinance its \$103-billion foreign debt, bankers said Wednesday.

The reshuffle, which followed the resignation of the finance minister, Francisco Dornelles, marks a break with monetarist thinking favoring economic austerity as a means of curing Brazil's economic ills. For bankers it has created fresh uncertainty about containing the Latin American debt crisis.

Mr. Dornelles, who backed tougher action on government spending to bring down inflation, quit in disagreement over the prevailing government economic view favoring expansion. The central bank president, Antonio Carlos Lemgruber, followed him out of office.

"Dornelles and Lemgruber were lone voices advocating the kind of action that the IMF demands," said one British banker.

An agreement with the IMF on economic policy is a precondition set by banks for talks on refinancing the country's foreign debt, largest in the Third World.

Dilson Fumaro, the incoming finance minister, said that he would continue the fight against Brazil's 250-percent inflation, but his first priority would be improving the quality of life for Brazilians.

"He is more of a growth man than his predecessor," one banker said.

The fall of Mr. Dornelles, who had become increasingly isolated within the government, was a clear victory for the views of the planning minister, Joao Sayad, and a special presidential adviser, Luis Paulo Rosenberg, bankers said.

Mr. Sayad, a member of the Democratic Movement Party, the senior partner in the ruling Democratic Alliance, argues that Brazil's route to controlling inflation lies through economic growth and not more recession, they said.

Mr. Rosenberg frequently has declared that Brazil would never accept any IMF accord which threatened the government's target to boost the economy by five percent this year. "Five-percent growth is the minimum needed to avoid internal crisis and restore the purchasing power of the people," he has said.

Mr. Fumaro and the new Central Bank President Fernando Bracher, former vice-president for international affairs at Bradesco, Brazil's largest private bank, have taken over at a critical period for the Brazilian economy, with inflation threatening to surge again.

The monthly inflation rate, which the civilian government had succeeded in containing to single figures since taking over in mid-March, could be in the region of 12 percent this month, which on an

Tokyo Exchange
Adds 10 Seats in
Major Expansion

TOKYO—The Tokyo Stock Exchange announced plans Wednesday for its first membership expansion in nearly four decades, a move that could seat foreign companies for the first time and ease trade friction with the United States.

The exchange said that the expansion measure—which would boost the number of seats to 93 from 83—was adopted by a membership committee as part of a wider plan to revise the exchange's articles of association.

The expansion would be the first since the exchange resumed trading in 1949 after the end of World War II. It is second only to the New York Stock Exchange in value of daily turnovers and number of listed shares.

All seats on the exchange are held by Japanese securities houses. Although the exchange changed its rules in April 1982 to allow foreign members, overseas companies contend that restrictive policies and high prices for seats have effectively shut them out.

Nearly a dozen U.S. and British securities concerns have established branch offices in Tokyo as foreign investment in Japan has expanded, but they must deal through Japanese firms and are barred from the exchange floor.

The United States and other countries have demanded access to the Tokyo exchange as part of a broad campaign to press Japan to liberalize its financial and capital markets.

Foreign stock traders were buoyed by the announcement but said they were awaiting details of the decision before making a final assessment.

"We are very pleased," said Tetsundo Iwakuni, chairman of Merrill Lynch of Japan. "We haven't got all the details yet, but it looks like a very positive, constructive and fair proposal."

Kyodo News Service quoted exchange sources as saying that the expansion would be approved at a members' meeting Sept. 26 and be instituted by November.

One official said that after 10 new members are selected by the exchange, they must apply formally for membership. Each application must be sponsored by two existing member firms.

The 10 new members, which can be of any nationality, will be chosen after an assessment of their capital size, financial position and operational background, the official said.

Exchange officials said that the price of membership would be fixed at \$4.2 million to \$4.9 million, depending on the assets of new participants.

Foreign companies complained last year that prices were being forced too high after Merrill Lynch led its charge at a seat despite offering \$5 million. A Japanese firm, Usunuma Securities Co., outbid the U.S. firm with a \$6.6-million offer.

Mr. Iwakuni said that Merrill Lynch, which is trying to set up a 24-hour world trading system through the exchanges in New York, London and Tokyo, would reapply for a seat as soon as possible.

Union Carbide
Plans Layoffs,
Stock Buyback

DANBURY, Conn.—Union Carbide Corp. announced Wednesday that it will lay off 4,000 U.S. workers, sell some businesses, take a \$990-million pretax charge against 1985 earnings and use money from its employee pension fund to buy back as many as 10 million shares of its stock outstanding.

Union Carbide's chairman, Warren M. Anderson, said that the steps were among seven to be taken to enhance shareholder value and help the company achieve "new levels of safety and environmental protection."

He said that the steps would result in a total charge of \$990 million against 1985 earnings, before taxes, and a reduction of about \$8 per share in after-tax earnings.

At midday Wednesday, Union Carbide stock was trading at \$54.75 a share on the New York Stock Exchange, unchanged on the day.

The company said that the layoffs would cover salaried employees in the United States, about 15 percent of the overall work force.

The moves by the company were seen by analysts as necessary in light of current economic conditions but precipitated by the threat of a takeover by GAF Corp., a specialty chemical company based in Wayne, N.J.

GAF announced Tuesday that it had increased its ownership in Union Carbide stock to 7.1 percent, saying it has considered "the possibility of a business combination between GAF and Union Carbide."

James M. Aronson, an analyst with Donaldson, Lufkin & Jenrette, said that Union Carbide's moves "should have been done years ago. These are things someone coming in, taking the company over, would have done."



Dilsen Fumaro

Soviet Union Signs Pact With Intelsat

WASHINGTON—The Soviet Union and Intelsat, the multinational satellite-communications group, have signed an agreement that provides for an exchange of technical and operational information.

The U.S. State Department and the Commerce Department's National Telecommunications Information Administration said they were studying the agreement to see whether it provided safeguards against the transfer to Moscow of technology that is barred under U.S. export controls. Intelsat was started 21 years ago by the United States.

The Soviet Union is not among the 109 nations that belong to the nonprofit cooperative, but it is allowed to use the system and is the largest nonmember user.

The new agreement, signed Tuesday in Geneva, advances Soviet involvement closer to that of a full member.

Richard R. Cofino, Intelsat's director general, has said publicly that he is interested in the Soviet Union becoming a member of Intelsat, the International Telecommunications Satellite Consortium.

However, neither the Soviet Union nor Intelsat indicated that the agreement would lead to full-fledged membership.

The agreement provides for a mutual exchange of technical, operational and financial data between the Soviet Union and Intelsat. It did not specify what information would be exchanged.

Months ago, U.S. officials expressed concern that the Soviet Union might acquire manufacturing technology for spacecraft or high-performance, solid-state communications devices.

But Donald Latham, assistant secretary of defense for command, control, communications and intelligence, said Tuesday that "the satellites and the technology are not going to be made available to the Soviets."

The agreement, which comes after seven years of negotiation, does lay the groundwork for increased use of Intelsat's network for global transmission of Soviet voice, data and television transmissions.

Last year, the Soviet Union broadcast 441 hours of television programming over Intelsat, or about 1 percent of the consortium's total television traffic. U.S. use of Intelsat's television transmission capacity exceeded 6,884 hours, or 14 percent of the international television traffic.

As an international organization, Intelsat must accept the membership of any nation that belongs to the International Telecommunications Union, which includes the Soviet Union. "The Soviet Union is therefore free to move," an Intelsat report said, "to being a member nation of its own volition."

Intelsat has worked with the Soviet Union in the past and has coordinated its network of satellites with Intersputnik, the Soviet system, to prevent technical problems.

CORUM

The famous Corum Coin Watch. A precious ultra-thin quartz movement inserted between the two halves of a genuine \$20 gold coin. Water-resistant. In ladies' versions too. A subtle touch: each Corum Coin Watch has a pure diamond set in the crown.

Corum watches are on view at the finest jewelers. For the address of the one nearest you or for a brochure, write or phone to: Franco S.A. Michel Niarquin, 177, Bd de Cite, 94100 Saint-Maur, tel. 1.889.36.36 - Germany: Auer, Holland: Heintz Tietz GmbH, Heide-Haus, Fols, Via Tito Vignoli 44, 20146 Milan, tel. 242.77.93. Other countries: CORUM, 2000 La Chaux-de-Fonds, Switzerland, tel. 29 26 26.

Allee 4, D-4000 Düsseldorf, tel. 0211.320.446 - Great Britain: Saunders & Shepherd Ltd., 1, Bleeding Heart Yard, Greville Street, London EC1N 8SJ, tel. 01-405.2666 - Italy: Corum Italia di Amadeo Meda-Fols, Via Tito Vignoli 44, 20146 Milan, tel. 242.77.93. Other countries: CORUM, 2000 La Chaux-de-Fonds, Switzerland, tel. 29 26 26.

WORLD-WIDE SERVICE BY

Jet Aviation - the international leading organization for business aviation with a charter fleet of 46 aircraft and world-wide eleven maintenance bases offers you complete aircraft management, purchase, sales financing, insurance, operation, crews, refurbishment, completion, maintenance and handling service of professional perfection.

Our Air-Taxi service is available to you around-the-clock:

1 Mitsubishi 2 - 4 Citation II - 3 Learjet 35 - 1 Learjet 38
6 Falcon 10 - 8 Falcon 20 - 7 Falcon 50 - 1 Jetstar - 7 Gulfstream II/III
1 DC-9 - 1 Boeing 737 - 5 Boeing 727 - 2 Boeing 707 - 1 DC-8/72

Basel, Düsseldorf, Geneva, Kassel, Munich, Zurich
Jeddah, Riyadh
Boston, MA, Morristown, NJ, West Palm Beach, FL

Europe: Middle East: North America:
Riyadh (01) 220 1888
Boston (617) 274 0030

Markets Closed

Financial markets were closed in South Africa Wednesday and will continue closed until Sept. 2 by government order because of the nation's financial and political turmoil. Banks and markets in Bahrain, Egypt, Jordan, Kuwait, Saudi Arabia, Syria, the United Arab Emirates and Turkey were closed Wednesday for a religious holiday.

NYSE Most Actives					
Vol.	High	Low	Last	Chg.	
Unicom	4314	25 1/2	25 1/2	+ 1/4	
Wend	3657	21 1/2	21 1/2	+ 1/4	
Unicom	3500	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	
Unicom	3273	21 1/2	21 1/2	+ 1/4	

Dow Jones Averages					
Open	High	Low	Last	Chg.	
Indus	1229.75	1234.75	1234.75	+ 5.00	
Transp	68.44	69.75	69.75	+ 1.31	
Comp	58.37	59.50	59.50	+ 1.13	

NYSE Index					
Previous	Today	High	Low	Close	2 P.M.
Composite	199.81	199.81	199.81	199.81	199.81
Industrial	1234.75	1234.75	1234.75	1234.75	1234.75
Transportation	69.75	69.75	69.75	69.75	69.75
Utilities	114.71	114.71	114.71	114.71	114.71

Wednesday's
NYSE
Closing

Vol. at 3 P.M. 65,200,000
Prev. 3 P.M. vol. 67,600,000
Prev. consolidated close 182,745.00

Tables include the nationwide prices
for the closing of the New York Stock
and do not reflect late trades elsewhere.
Via The Associated Press

AMEX Dories					
Class	Prev.	High	Low	Last	Chg.
Advanced	222	222	222	222	0
Declined	222	222	222	222	0
Unchanged	222	222	222	222	0
Total Issues	222	222	222	222	0
New Issues	222	222	222	222	0

NASDAQ Index					
Week	Year	Month	Day	Open	Close
Composite	255.85	255.85	255.85	255.85	255.85
Financial	255.85	255.85	255.85	255.85	255.85
Insurance	255.85	255.85	255.85	255.85	255.85
Utilities	255.85	255.85	255.85	255.85	255.85
Transp.	255.85	255.85	255.85	255.85	255.85

AMEX Most Actives					
Vol.	High	Low	Last	Chg.	
Wicks	5000	21 1/2	21 1/2	+ 1/4	
Dorcas	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	
Wicks	3333	21 1/2	21 1/2	+ 1/4	

Dow Jones Bond Averages					
Prev.	Today	High	Low	Last	Chg.
Bonds	79.97	79.97	79.97	79.97	0
Utilities	79.97	79.97	79.97	79.97	0
Industries	79.97	79.97	79.97	79.97	0

NYSE Dories					
Class	Prev.	High	Low	Last	Chg.
Advanced	222	222	222	222	0
Declined	222	222	222	222	0
Unchanged	222	222	222	222	0
Total Issues	222	222	222	222	0
New Issues	222	222	222	222	0

Odd-Lot Trading in N.Y.					
Aug. 27	Aug. 28	Aug. 29	Aug. 30	Aug. 31	Aug. 31
100-200	100-200	100-200	100-200	100-200	100-200
200-300	200-300	200-300	200-300	200-300	200-300
300-400	300-400	300-400	300-400	300-400	300-400
400-500	400-500	400-500	400-500	400-500	400-500

Standard & Poor's Index					
High	Low	Open	Close	Prev.	2 P.M.
Industries	182.10	182.10	182.10	182.10	182.10
Transp.	182.10	182.10	182.10	182.10	182.10
Utilities	182.10	182.10	182.10	182.10	182.10
Composite	182.10	182.10	182.10	182.10	182.10

AMEX Sales					
3 P.M. volume	3 P.M. volume	3 P.M. volume	3 P.M. volume	3 P.M. volume	3 P.M. volume
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

AMEX Stock Index					
Previous	Today	High	Low	Last	Chg.
222.45	222.45	222.45	222.45	222.45	0
222.45	222.45	222.45	222.45	222.45	0
222.45	222.45	222.45	222.45	222.45	0
222.45	222.45	222.45	222.45	222.45	0
222.45	222.45	222.45	222.45	222.45	0

Stocks Higher in Light Trading

United Press International
NEW YORK—The stock market was higher late Wednesday in light trading.
The Dow Jones industrial average was up 6.05 to 1,238.51 an hour before the close, and advanced led decliners by a slim margin.
Five-hour volume amounted to about 65.65 million shares, compared with 67.66 million in the same period Tuesday.
Prices were mixed in moderate trading of American Stock Exchange issues.
A big chunk of the Dow's rise was accounted for by Westinghouse Electric, which jumped 3 1/2 to 36 1/2 and led the active list. The company said it plans to buy back 25 million shares of its stock and is considering the sale of its cable-television business.
Otherwise, analysts said it was difficult to read much significance into the market's meanderings with many investors on vacation or waiting until after Labor Day to get a better reading of the pace of the economy.

Although prices in tables on these pages are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.

Unicom was near the top of the active list and slightly lower. The U.S. Department of Environmental Protection said it planned to bar the use of Unicom's agricultural chemical Ajar. Unicom said it believes the product is safe and will continue to support it.

Union Carbide also advanced. It said it would buy back up to 10 million of its shares. Utah Power & Light Co. was off slightly and Middle South Utilities was unchanged, both in active trading.

Growing with
the need to manage
our water resources

Products from several Ametek
Divisions are used to manage
the capacity of deep wells, help
farmers reduce irrigation
needs and provide clearer,
better tasting drinking water.

Write for latest reports to:

AMETEK

Dept. H,
410 Park Avenue, 21st Floor,
New York, NY 10022.

12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.
16 16 16 16 16 16 16 16 16 16	17 17 17 17 17 17 17 17 17 17	18 18 18 18 18 18 18 18 18 18
19 19 19 19 19 19 19 19 19 19	20 20 20 20 20 20 20 20 20 20	21 21 21 21 21 21 21 21 21 21
22 22 22 22 22 22 22 22 22 22	23 23 23 23 23 23 23 23 23 23	24 24 24 24 24 24 24 24 24 24
25 25 25 25 25 25 25 25 25 25	26 26 26 26 26 26 26 26 26 26	27 27 27 27 27 27 27 27 27 27
28 28 28 28 28 28 28 28 28 28	29 29 29 29 29 29 29 29 29 29	30 30 30 30 30 30 30 30 30 30
31 31 31 31 31 31 31 31 31 31	32 32 32 32 32 32 32 32 32 32	33 33 33 33 33 33 33 33 33 33
34 34 34 34 34 34 34 34 34 34	35 35 35 35 35 35 35 35 35 35	36 36 36 36 36 36 36 36 36 36
37 37 37 37 37 37 37 37 37 37	38 38 38 38 38 38 38 38 38 38	39 39 39 39 39 39 39 39 39 39
40 40 40 40 40 40 40 40 40 40	41 41 41 41 41 41 41 41 41 41	42 42 42 42 42 42 42 42 42 42
43 43 43 43 43 43 43 43 43 43	44 44 44 44 44 44 44 44 44 44	45 45 45 45 45 45 45 45 45 45
46 46 46 46 46 46 46 46 46 46	47 47 47 47 47 47 47 47 47 47	48 48 48 48 48 48 48 48 48 48
49 49 49 49 49 49 49 49 49 49	50 50 50 50 50 50 50 50 50 50	51 51 51 51 51 51 51 51 51 51
52 52 52 52 52 52 52 52 52 52	53 53 53 53 53 53 53 53 53 53	54 54 54 54 54 54 54 54 54 54
55 55 55 55 55 55 55 55 55 55	56 56 56 56 56 56 56 56 56 56	57 57 57 57 57 57 57 57 57 57
58 58 58 58 58 58 58 58 58 58	59 59 59 59 59 59 59 59 59 59	60 60 60 60 60 60 60 60 60 60
61 61 61 61 61 61 61 61 61 61	62 62 62 62 62 62 62 62 62 62	63 63 63 63 63 63 63 63 63 63
64 64 64 64 64 64 64 64 64 64	65 65 65 65 65 65 65 65 65 65	66 66 66 66 66 66 66 66 66 66
67 67 67 67 67 67 67 67 67 67	68 68 68 68 68 68 68 68 68 68	69 69 69 69 69 69 69 69 69 69
70 70 70 70 70 70 70 70 70 70	71 71 71 71 71 71 71 71 71 71	72 72 72 72 72 72 72 72 72 72
73 73 73 73 73 73 73 73 73 73	74 74 74 74 74 74 74 74 74 74	75 75 75 75 75 75 75 75 75 75
76 76 76 76 76 76 76 76 76 76	77 77 77 77 77 77 77 77 77 77	78 78 78 78 78 78 78 78 78 78
79 79 79 79 79 79 79 79 79 79	80 80 80 80 80 80 80 80 80 80	81 81 81 81 81 81 81 81 81 81
82 82 82 82 82 82 82 82 82 82	83 83 83 83 83 83 83 83 83 83	84 84 84 84 84 84 84 84 84 84
85 85 85 85 85 85 85 85 85 85	86 86 86 86 86 86 86 86 86 86	87 87 87 87 87 87 87 87 87 87
88 88 88 88 88 88 88 88 88 88	89 89 89 89 89 89 89 89 89 89	90 90 90 90 90 90 90 90 90 90
91 91 91 91 91 91 91 91 91 91	92 92 92 92 92 92 92 92 92 92	93 93 93 93 93 93 93 93 93 93
94 94 94 94 94 94 94 94 94 94	95 95 95 95 95 95 95 95 95 95	96 96 96 96 96 96 96 96 96 96
97 97 97 97 97 97 97 97 97 97	98 98 98 98 98 98 98 98 98 98	99 99 99 99 99 99 99 99 99 99
100 100 100 100 100 100 100 100 100 100		

12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.
16 16 16 16 16 16 16 16 16 16	17 17 17 17 17 17 17 17 17 17	18 18 18 18 18 18 18 18 18 18
19 19 19 19 19 19 19 19 19 19	20 20 20 20 20 20 20 20 20 20	21 21 21 21 21 21 21 21 21 21
22 22 22 22 22 22 22 22 22 22	23 23 23 23 23 23 23 23 23 23	24 24 24 24 24 24 24 24 24 24
25 25 25 25 25 25 25 25 25 25	26 26 26 26 26 26 26 26 26 26	27 27 27 27 27 27 27 27 27 27
28 28 28 28 28 28 28 28 28 28	29 29 29 29 29 29 29 29 29 29	30 30 30 30 30 30 30 30 30 30
31 31 31 31 31 31 31 31 31 31	32 32 32 32 32 32 32 32 32 32	33 33 33 33 33 33 33 33 33 33
34 34 34 34 34 34 34 34 34 34	35 35 35 35 35 35 35 35 35 35	36 36 36 36 36 36 36 36 36 36
37 37 37 37 37 37 37 37 37 37	38 38 38 38 38 38 38 38 38 38	39 39 39 39 39 39 39 39 39 39
40 40 40 40 40 40 40 40 40 40	41 41 41 41 41 41 41 41 41 41	42 42 42 42 42 42 42 42 42 42
43 43 43 43 43 43 43 43 43 43	44 44 44 44 44 44 44 44 44 44	45 45 45 45 45 45 45 45 45 45
46 46 46 46 46 46 46 46 46 46	47 47 47 47 47 47 47 47 47 47	48 48 48 48 48 48 48 48 48 48
49 49 49 49 49 49 49 49 49 49	50 50 50 50 50 50 50 50 50 50	51 51 51 51 51 51 51 51 51 51
52 52 52 52 52 52 52 52 52 52	53 53 53 53 53 53 53 53 53 53	54 54 54 54 54 54 54 54 54 54
55 55 55 55 55 55 55 55 55 55	56 56 56 56 56 56 56 56 56 56	57 57 57 57 57 57 57 57 57 57
58 58 58 58 58 58 58 58 58 58	59 59 59 59 59 59 59 59 59 59	60 60 60 60 60 60 60 60 60 60
61 61 61 61 61 61 61 61 61 61	62 62 62 62 62 62 62 62 62 62	63 63 63 63 63 63 63 63 63 63
64 64 64 64 64 64 64 64 64 64	65 65 65 65 65 65 65 65 65 65	66 66 66 66 66 66 66 66 66 66
67 67 67 67 67 67 67 67 67 67	68 68 68 68 68 68 68 68 68 68	69 69 69 69 69 69 69 69 69 69
70 70 70 70 70 70 70 70 70 70	71 71 71 71 71 71 71 71 71 71	72 72 72 72 72 72 72 72 72 72
73 73 73 73 73 73 73 73 73 73	74 74 74 74 74 74 74 74 74 74	75 75 75 75 75 75 75 75 75 75
76 76 76 76 76 76 76 76 76 76	77 77 77 77 77 77 77 77 77 77	78 78 78 78 78 78 78 78 78 78
79 79 79 79 79 79 79 79 79 79	80 80 80 80 80 80 80 80 80 80	81 81 81 81 81 81 81 81 81 81
82 82 82 82 82 82 82 82 82 82	83 83 83 83 83 83 83 83 83 83	84 84 84 84 84 84 84 84 84 84
85 85 85 85 85 85 85 85 85 85	86 86 86 86 86 86 86 86 86 86	87 87 87 87 87 87 87 87 87 87
88 88 88 88 88 88 88 88 88 88	89 89 89 89 89 89 89 89 89 89	90 90 90 90 90 90 90 90 90 90
91 91 91 91 91 91 91 91 91 91	92 92 92 92 92 92 92 92 92 92	93 93 93 93 93 93 93 93 93 93
94 94 94 94 94 94 94 94 94 94	95 95 95 95 95 95 95 95 95 95	96 96 96 96 96 96 96 96 96 96
97 97 97 97 97 97 97 97 97 97	98 98 98 98 98 98 98 98 98 98	99 99 99 99 99 99 99 99 99 99
100 100 100 100 100 100 100 100 100 100		

12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.
16 16 16 16 16 16 16 16 16 16	17 17 17 17 17 17 17 17 17 17	18 18 18 18 18 18 18 18 18 18
19 19 19 19 19 19 19 19 19 19	20 20 20 20 20 20 20 20 20 20	21 21 21 21 21 21 21 21 21 21
22 22 22 22 22 22 22 22 22 22	23 23 23 23 23 23 23 23 23 23	24 24 24 24 24 24 24 24 24 24
25 25 25 25 25 25 25 25 25 25	26 26 26 26 26 26 26 26 26 26	27 27 27 27 27 27 27 27 27 27
28 28 28 28 28 28 28 28 28 28	29 29 29 29 29 29 29 29 29 29	30 30 30 30 30 30 30 30 30 30
31 31 31 31 31 31 31 31 31 31	32 32 32 32 32 32 32 32 32 32	33 33 33 33 33 33 33 33 33 33
34 34 34 34 34 34 34 34 34 34	35 35 35 35 35 35 35 35 35 35	36 36 36 36 36 36 36 36 36 36
37 37 37 37 37 37 37 37 37 37	38 38 38 38 38 38 38 38 38 38	39 39 39 39 39 39 39 39 39 39
40 40 40 40 40 40 40 40 40 40	41 41 41 41 41 41 41 41 41 41	42 42 42 42 42 42 42 42 42 42
43 43 43 43 43 43 43 43 43 43	44 44 44 44 44 44 44 44 44 44	45 45 45 45 45 45 45 45 45 45
46 46 46 46 46 46 46 46 46 46	47 47 47 47 47 47 47 47 47 47	48 48 48 48 48 48 48 48 48 48
49 49 49 49 49 49 49 49 49 49	50 50 50 50 50 50 50 50 50 50	51 51 51 51 51 51 51 51 51 51
52 52 52 52 52 52 52 52 52 52	53 53 53 53 53 53 53 53 53 53	54 54 54 54 54 54 54 54 54 54
55 55 55 55 55 55 55 55 55 55	56 56 56 56 56 56 56 56 56 56	57 57 57 57 57 57 57 57 57 57
58 58 58 58 58 58 58 58 58 58	59 59 59 59 59 59 59 59 59 59	60 60 60 60 60 60 60 60 60 60
61 61 61 61 61 61 61 61 61 61	62 62 62 62 62 62 62 62 62 62	63 63 63 63 63 63 63 63 63 63
64 64 64 64 64 64 64 64 64 64	65 65 65 65 65 65 65 65 65 65	66 66 66 66 66 66 66 66 66 66
67 67 67 67 67 67 67 67 67 67	68 68 68 68 68 68 68 68 68 68	69 69 69 69 69 69 69 69 69 69
70 70 70 70 70 70 70 70 70 70	71 71 71 71 71 71 71 71 71 71	72 72 72 72 72 72 72 72 72 72
73 73 73 73 73 73 73 73 73 73	74 74 74 74 74 74 74 74 74 74	75 75 75 75 75 75 75 75 75 75
76 76 76 76 76 76 76 76 76 76	77 77 77 77 77 77 77 77 77 77	78 78 78 78 78 78 78 78 78 78
79 79 79 79 79 79 79 79 79 79	80 80 80 80 80 80 80 80 80 80	81 81 81 81 81 81 81 81 81 81
82 82 82 82 82 82 82 82 82 82	83 83 83 83 83 83 83 83 83 83	84 84 84 84 84 84 84 84 84 84
85 85 85 85 85 85 85 85 85 85	86 86 86 86 86 86 86 86 86 86	87 87 87 87 87 87 87 87 87 87
88 88 88 88 88 88 88 88 88 88	89 89 89 89 89 89 89 89 89 89	90 90 90 90 90 90 90 90 90 90
91 91 91 91 91 91 91 91 91 91	92 92 92 92 92 92 92 92 92 92	93 93 93 93 93 93 93 93 93 93
94 94 94 94 94 94 94 94 94 94	95 95 95 95 95 95 95 95 95 95	96 96 96 96 96 96 96 96 96 96
97 97 97 97 97 97 97 97 97 97	98 98 98 98 98 98 98 98 98 98	99 99 99 99 99 99 99 99 99 99
100 100 100 100 100 100 100 100 100 100		

12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.	12 Month High Low Stock Div. Yld. PE St. 100s High Low Close Chg. Chg.
16 16 16 16 16 16 16 16 16 16	17 17 17 17 17 17 17 17 17 17	18 18 18 18 18 18 18 18 18 18
19 19 19 19 19 19 19 19 19 19	20 20 20 20 20 20 20 20 20 20	21 21 21 21 21 21 21 21 21 21
22 22 22 22 22 22 22 22 22 22	23 23 23 23 23 23 23 23 23 23	24 24 24 24 24 24 24 24 24 24
25 25 25 25 25 25 25 25 25 25	26 26 26 26 26 26 26 26 26 26	27 27 27 27 27 27 27 27 27 27
28 28 28 28 28 28 28 28 28 28	29 29 29 29 29 29 29 29 29 29	30 30 30 30 30 30 30 30 30 30
31 31 31 31 31 31 31 31 31 31	32 32 32 32 32 32 32 32 32 32	33 33 33 33 33 33 33 33 33 33
34 34 34 34 34 34 34 34 34 34	35 35 35 35 35 35 35 35 35 35	36 36 36 36 36 36 36 36 36 36
37 37 37 37 37 37 37 37 37 37	38 38 38 38 38 38 38 38 38 38	39 39 39 39 39 39 39 39 39 39
40 40 40 40 40 40 40 40 40 40	41 41 41 41 41 41 41 41 41 41	42 42 42 42 42 42 42 42 42 42
43 43 43 43 43 43 43 43 43 43	44 44 44 44 44 44 44 44 44 44	45 45 45 45 45 45 45 45 45 45
46 46 46 46 46 46 46 46 46 46	47 47 47 47 47 47 47 47 47 47	48 48 48 48 48 48 48 48 48 48
49 49 49 49 49 49 49 49 49 49	50 50 50 50 50 50 50 50 50 50	51 51 51 51 51 51 51 51 51 51
52 52 52 52 52 52 52 52 52 52	53 53 53 53 53 53 53 53 53 53	54 54 54 54 54 54 54 54 54 54
55 55 55 55 55 55 55 55 55 55	56 56 56 56 56 56 56 56 56 56	57 57 57 57 57 57 57 57 57 57
58 58 58 58 58 58 58 58 58 58	59 59 59 59 59 59 59 59 59 59	60 60 60 60 60 60 60 60 60 60
61 61 61 61 61 61 61 61 61 61	62 62 62 62 62 62 62 62 62 62	63 63 63 63 63 63 63 63 63 63
64 64 64 64 64 64 64 64 64 64	65 65 65 65 65 65 65 65 65 65	66 66 66 66 66 66 66 66 66 66
67 67 67 67 67 67 67 67 67 67	68 68 68 68 68 68 68 68 68 68	69 69 69 69 69 69 69 69 69 69
70 70 70 70 70 70 70 70 70 70	71 71 71 71 71 71 71 71 71 71	72 72 72 72 72 72 72 72 72 72
73 73 73 73 73 73 73 73 73 73	74 74 74 74 74 74 74 74 74 74	75 75 75 75 75 75 75 75 75 75
76 76 76 76 76 76 76 76 76 76	77 77 77 77 77 77 77 77 77 77	78 78 78 78 78 78 78 78 78 78
79 79 79 79 79 79 79 79 79 79	80 80 80 80 80 80 80 80 80 80	81 81 81 81 81 81 81 81 81 81
82 82 82 82 82 82 82 82 82 82	83 83 83 83 83 83 83 83 83 83	84 84 84 84 84 84 84 84 84 84
85 85 85 85 85 85 85 85 85 85	86 86 86 86 86	

BUSINESS ROUNDUP

United Newspapers Bids £223 Million for Fleet

Compiled by Our Staff From Dispatches
LONDON — United Newspapers PLC, which owns a chain of provincial newspapers, launched on Wednesday a £223-million (\$310-million) bid for the portion of Fleet Holdings PLC that it does not already own.

Fleet's board quickly rejected the bid.
United's bid came one week after the Monopolies and Mergers Commission said that the proposed takeover would have no significant effect on newspaper competition. United owns about 20 percent of the shares in Fleet, which publishes the Daily Express, the Daily Star and the Sunday Express.

In addition to the Express national newspaper chain, Fleet's

other interests include the Morgan Grampian magazine chain, a share of Reuters Holdings PLC and a 31-percent interest in TV-AM.

United publishes the weekly humor magazine Punch as well as about 60 provincial newspapers, including the Yorkshire Post. It also publishes a number of special interest and trade magazines.

In rejecting the United bid, the Fleet board said the offer failed to recognize the company's strength, progress and prospects and it urged shareholders not to sell.

United shares closed Wednesday at 310 pence on the London Stock Exchange, up from 298 pence on Tuesday. Fleet Holdings finished at 362 pence, up from 345 pence.

Based on Fleet's current share price, the company is valued at about £305.6 million.
Fleet bought the Express group in 1977 from Max Aitken, son of Lord Beaverbrook, one of Britain's most powerful press barons.

United has said that its board believes that merging the two companies would create a well-diversified publishing group with greatly enhanced growth prospects.
David R. Stevens, United's chairman, said it appeared unlikely that any rival bid would be made as previous potential bidders had sold their interests.

Half of United's operating profit in 1984 came from the United States, where it owns trade and technical journals and the PR Newswire, a service that electronically distributes public relations material. (UPI, Reuters, AFP)

Bayer AG Profit Increased 16.1% In First Period

LEVERKUSEN, West Germany — Bayer AG, the giant chemicals company, said Wednesday that world group pretax profit rose 16.1 percent in the first half of 1985, fueled by increased foreign and domestic sales.

Profit was 1.73 billion Deutsche marks (\$622 million) for the first six months of fiscal 1985 compared with 1.49 billion DM in the like 1984 period. Volume rose 12.2 percent to 24.59 billion DM.

Bayer said that pretax profit for the parent company rose 25.8 percent to 830 million DM in the first half and volume increased 8.9 percent to 9.41 billion DM.

Domestic sales for the parent company rose 5.6 percent in the first six months to 3.13 billion DM, while foreign sales grew by 10.7 percent to 6.28 billion DM. Exports accounted for 66.7 percent of parent company sales.

A letter to shareholders said that in the second 1985 quarter the rates of parent company domestic and export volume rose from the first quarter.

Analysts Say Cancellation Of Divad Will Not Hurt Ford

By Susan Pastor
New York Times Service
DETROIT — The U.S. Defense Department's cancellation of the \$4.8-billion Divad anti-aircraft gun project will have little impact on the earnings of Ford Motor Co., industry analysts say.

The gun, also known as the Sergeant York, was being developed by Ford Aerospace & Communications Corp., a subsidiary that is primarily involved in military systems, satellite communications and space-mission support.

A spokesman for Ford Aerospace said the cancellation, announced Tuesday by Defense Secretary Caspar W. Weinberger, would affect about 1,900 workers on the project, based in Newport Beach, California. Ford hopes to find other jobs for many of the employees, the spokesman said. Total employment at Ford Aerospace is about 15,000.

Ford does not release financial results of individual divisions or subsidiaries. In 1984, the company's nonautomotive operations, which include the aerospace division and units that make glass and steel, had losses of \$24 million, while the automotive sector had operating income of \$3.4 billion. Revenues of the nonautomotive sector in 1984 were \$3.8 billion.

compared with \$48.5 billion for its automotive sector. Ford Aerospace received contract awards totaling \$1.5 billion in 1984, the spokesman said.

"There are bound to be some employment repercussions at Ford Aerospace, but relative to the Ford Motor Co. it's immaterial," said Harvey E. Heinbach, an automobile industry analyst with Merrill Lynch, Pierce, Fenner & Smith Inc. He said Ford's program of offering low-rate financing to car buyers would probably be more costly to the company than the loss of the Divad project.

Wolfgang H. Demisch, a defense-industry analyst with First Boston Corp., said the decision was "a painful blow to Ford Aerospace." But he, too, said the impact on the entire company would be minimal.

Bofors Foresees Disruption
Bofors AB said the cancellation by the United States of the anti-aircraft gun would disrupt its production and sales plans. Reuters reported from Stockholm.

Per Mossberg, a company spokesman, said the cancellation of the project, to which Bofors was delivering gun components, meant that Bofors would have to transfer workers to other tasks within the company.

Crocker Calls U.S. Penalty Result of 'Honest Mistake'

The Associated Press
SAN FRANCISCO — Crocker National Bank's failure to report about \$4 billion in cash transactions involving Hong Kong and Mexican border banks was "an honest mistake," a bank official said. A U.S. Treasury official said that it was likely that part of the money involved in the transactions came from drug deals.

"There was every reason to believe the transactions of currency were not out of the ordinary," Harold P. Reichwald, the general counsel and executive vice president of Crocker, said Tuesday. The bank's parent company, Crocker National Corp., is owned by Midland Bank PLC of London.

Earlier Tuesday, the U.S. Treasury Department had announced imposition of a record \$2.25-million fine against Crocker for 7,877 reporting violations from 1980 to 1985. Mr. Reichwald said the money represented a settlement rather than a fine.

"It was a mistake, an honest mistake," said Mr. Reichwald, adding that the problems came at a time when deregulation had thrown the banking industry into "turmoil" and new reporting laws were enacted regarding cash transactions.

Banks are required by the U.S. Bank Secrecy Act to report all cash transactions above \$10,000 as part of a federal effort to give investigators a tool for tracing drug deals and other corruption.

"Although there is no evidence that the bank itself deliberately engaged in money laundering, Crocker's reporting failures were systemic and pervasive," said Assistant Treasury Secretary John M. Walker Jr.

There was a high likelihood that Crocker's violations involving money deposited through banks in Hong Kong and in Calexico and San Ysidro, along California's Mexican border, came from drug deals, Mr. Walker said. That comment "certainly borders on inflammatory," Mr. Reichwald said.

He added that some of the transactions may have involved transfers from Hong Kong businesses and individuals concerned about the future of Hong Kong after 1997, when China regains control of the British colony.

Texas Air Vetoes Accord to Nullify TWA Merger Pact

New York Times Service
NEW YORK — Texas Air Corp. has decided not to go along with a plan under which it was to withdraw its merger agreement with Trans World Airlines, sources close to the negotiations said Tuesday.

Withdrawal would have enabled Carl C. Icahn to take control of TWA sooner, but one of the sources said that the breakdown would not greatly hinder Mr. Icahn from appointing his own board and taking the airline private.

The source, who asked not to be identified, said that Texas Air lawyers were drawing up the agreement when Frank A. Lorenzo, the company's president, apparently changed his mind.

Under the agreement, Texas Air and its financier, Drexel Burnham Lambert Inc., would have split about \$42 million, including \$18 million from TWA for breaking the merger agreement. The rest of the profits were to come from stock holdings and options.

Mr. Icahn could not be reached for comment. A spokesman for TWA said the airline had no comment.

For its part, Texas Air said that it had been negotiating with Mr. Icahn and TWA but that no agreement had been reached.

Northwest Orders 3 Boeing 747-200s

United Press International
SEATTLE — Northwest Airlines, which operates one of the world's largest fleets of Boeing 747 jetliners, has ordered three more 747-200 jumbo jets, Boeing announced Tuesday.

The aircraft are scheduled for delivery in May and July 1986. The agreement is valued at \$270 million. The purchase of the jumbo jets will increase Northwest's fleet of 747s to 38 aircraft.

Announced orders for 747s now stand at 650 aircraft worldwide, of which 619 have been delivered.

COMPANY NOTES

Air Florida intends to reorganize under a new name. The business would operate as a subsidiary of a holding company called Jet Florida System Inc. Air Florida, which filed for protection from creditors in July 1984 with more than \$220 million in debts, has been flying as Midway Express since October.

Babcock International PLC reported that first-half group pretax profit was £15.04 million (\$21 million), a 6-percent decline from £16.02 million in the first half of 1984. Sales were £541.23 million, up slightly from £534.29 million.

Energy Resources of Australia Ltd. said the federal government has approved two new long-term contracts for the supply of uranium oxide to utilities in South Korea and the United States. ERA said the contracts were for a total of 280 million dollars (\$195 million).

Hongkong & Kowloon Wharf & Godown Co. has signed a 1-billion-dollar (\$128 million) three-year commercial paper issue with a group of banks. The issue is in the form of discounted bills of exchange, of one, two or three months, in denominations of 1 million dollars. The underwriters' margin is ¼ point over Hong Kong interbank offered rate.

Hughes Helicopters Inc., founded by Howard Hughes in 1934, has been renamed McDonnell Douglas Helicopter Co. Hughes Helicopters, separated from Hughes Aircraft in 1953 and operated as a division of Hughes Tool until 1972, was acquired by McDonnell Douglas in December 1983.

Jeumont-Schneider, a unit of Schneider SA of France, and Robert Bosch GmbH's Telenorma subsidiary of West Germany have

reached an agreement to cooperate in the export and research and development of business telephone systems equipment.

The Limited Inc. of Ohio has dropped all litigation against and sold its stock holdings in Carter Hawley Hale Stores, the Los Angeles-based retailer. The Securities and Exchange Commission, which had posed a challenge to Carter Hawley's defense against the Limited's takeover attempt in 1984, said it also planned to drop its suit.

Lorimar Inc. plans to purchase up to \$315 million of Warner Communications Inc. stock for "investment purposes." In a filing with the Securities and Exchange Commission, Lorimar said it planned to purchase more than \$15 million of Warner stock, but less than 15 percent of the 67.2 million outstanding shares.

Mim Holdings Ltd. reported pretax losses of 50.5 million Australian dollars (\$35.3 million) for the year ended June 30, compared with a pretax profit of 19.05 million in 1983-84. Mim said the losses were essentially the result of continuing low metal and coal prices.

Swire Pacific Ltd.'s interim results to be announced Friday are expected to show that first-half profits were 580 million to 620 million Hong Kong dollars (\$75 million to \$80 million), a 22-percent to 29-percent increase from the first half last year.

Thai Airways International Ltd., the government-owned airline, said it awarded an order to Crown Leasing Corp. of Japan to arrange a loan for the equivalent of \$130 million to finance the leasing of two new Airbus aircraft. The loan is fully guaranteed by the Thai Finance Ministry.



N.V. AMEV

Dutch Guilders 75,000,000
8½% Bearer Notes 1979
due October 1, 1984/1986

As provided in the Terms and Conditions of the above Notes Redemption Group no. 2, amounting to Dutch Guilders 25,000,000, — has been drawn for redemption on August 15, 1985 and consequently the Note which bears consecutive number 2 and all Notes bearing a consecutive number which is a multiple of 2 are payable on

October 1, 1985

at
Pierson, Halding & Pierson N.V.
(Central Paying Agent)

Algemene Bank Nederland N.V.

Amsterdam-Rotterdam Bank N.V.

Bank Mees & Hope NV
in Amsterdam

Deutsche Bank A.G.
in Frankfurt am Main

Union Bank of Switzerland
in Zürich

Banque Générale du Luxembourg S.A.
in Luxembourg

August 29, 1985



IF YOU KNEW THAT REPUBLIC HAS ONE OF THE BEST CAPITAL TO DEPOSIT RATIOS OF ANY US BANK, YOU'D BE PHONING THEM TOO.

Republic National Bank of New York. Traditional banking in an age of change.

NEW YORK (212) 930-6000 LONDON (44) 1-409-2426 PARIS (33) 1-426-3804 LUXEMBOURG (352) 470-711 MILAN (39) 2-809141 • A SAFRA BANK WITH CAPITAL OF OVER \$1,300,000,000

(Continued from Page 8)

Share	1983	1984
Per Share	0.86	1.45
9 Months	1,965	1,984
Revenue	1,265	1,200
Net Inc.	60.8	80.8
Per Share	2.8	3.15

South Africa

Phoenixburg Consol.

Share	1983	1984
Per Share	178.1	144.8
9 Months	20.25	16.84

If name of company is Phoenixburg Consolidated Investment.

West Germany

Bayer

Share	1983	1984
Per Share	84.66	21.90
9 Months	1,230	1,490

[illegible][illegible]

High Low Grains

[illegible]

150.50	127.00	Sep	132.70	127.75	130.00	127.50	127.50
151.40	129.25	Dec	139.65	140.70	139.65	140.16	140.25
149.75	128.50	Mar	140.85	141.75	140.85	141.39	141.50
		Mar	141.35	142.30	141.75	141.80	141.80

Treasury Bill			
	Offer	Bid	Yield
3-month	7.85	7.83	7.84
6-month	7.18	7.16	7.18
One Year	7.28	7.26	7.27

Source: Salomon Brothers

91.70	82.76	Jan	92.79
91.15	87.46	Sep	92.44
90.33	88.34	Dec	92.12
89.87	88.20	Mar	

Production in July averaged 2.45 million barrels a day, up from 2.26 million barrels in June. In late autumn, when the summer maintenance season is over, production is likely to move back toward the record level of 2.8 million barrels a day achieved in January, the bank said in releasing its monthly index of North Sea oil production.

2007-01-01

1985	1984	
Net	176.1	144.4
Share	20.25	16.84
Name of company is Je- nneburg Consolidated In- vest.		

or being reacquired under the Bankruptcy Act, or securities
 assumed by such company. wd — when distributed, wd
 when issued. wv — with warrants. x — ex-dividend or ex-
 rights. yds — as distribution. yw — without warrants. y-
 ex-dividend and sales in full. yd — yield. z — sales in full.

ASA
Cervetto
Patriarch of
McDermint

Alris Charm
City Invest
DCA Co
NAFCO Prod

Amiesco
Covaco
ICM Type n
TrnCoqPole n

CCX Corp
Diebold s
Mellonsh El
Treasure Inc

هكذا من الأهل

Source: CBOS.

6-month	7.18	7.16
One year	7.28	7.36

Source: Solomon Brothers

7.58
7.58
7.72

day achieved 2.6 million barrels a day in January, the bank said in releasing its monthly index of North Sea oil production.

هكذا من الأحمق

CURRENCY MARKETS

Dollar Eases Lower in European Trading

LONDON — The dollar declined slightly in tenuous foreign exchange trading in Europe Wednesday. Currency dealers said they expected no large changes in the dollar's value in advance of Friday's release of U.S. economic figures for July.

Dealers said they were anticipating the data on factory orders, the trade balance and leading economic indicators to give an indication of the strength of the U.S. economy in the third quarter.

In London, the dollar finished at 2.7710 Deutsche marks, down from its opening at 2.7745 and last night's closing of 2.7895. In Frankfurt, the currency was fixed at 2.7683, down from Tuesday's fix of 2.7770.

Meanwhile, the British pound rose. London dealers said a large order for sterling by an unidentified

fied East European country boosted the pound and might have contributed to the dollar's fall.

The British currency rose more than a cent against the dollar, to \$1.4020 from \$1.3915 on Tuesday. It also gained against most continental currencies, rising to 3.8860 DM from 3.8825 on Tuesday, and to 11.8595 French francs from 11.8463.

In Tokyo, the dollar closed at 237.20 Japanese yen, up from 236.85 yen Tuesday. Later, in London, the dollar was quoted at 236.78 yen.

Other late dollar rates, compared with late Tuesday's levels: 2.2626 Swiss francs, down from 2.2790; 8.4535 French francs, down from 8.4830; 3.1175 Dutch guilders, down from 3.1250, and 1,860.40 Italian lire, down from 1,864.00.

One dealer said the dollar hardly moved in the morning session Wednesday until a combination of

interbank selling and a large London commercial order to buy sterling started some movement.

There had been some profit-taking after the overnight firmer tone but it was hard to know who was long in dollars, he said, adding there was no reason for movements this afternoon.

Dollar dealers were generally reluctant to take positions ahead of Thursday's U.S. money-supply figures and Friday's economic figures. Most operators were looking ahead until after the Labor Day holiday weekend in the United States for clearer signs of direction, dealers said.

Dealers said sterling looked comfortable for the moment, especially with U.K. interest rates showing no signs of easing. The pound's trade-weighted index closed at 164.15 on Tuesday's close, at \$2.5. (AP, Reuters)

Japan Output Increases 1.3%

Reuters

TOKYO — Japan's seasonally adjusted industrial production index rose 1.3 percent in July from June, when it slipped 2 percent, the Ministry of International Trade and Industry said Wednesday.

The preliminary figures showed that the unadjusted July index rose 4.8 percent from June and 5.8 percent from July 1984.

The adjusted July producers' shipment index increased 1.6 percent from June, when it was down 2.4 percent from May. Unadjusted, the producers' shipment index was up 4.4 percent from July 1984 after a 3.5 percent year-to-year gain in June. The preliminary index of finished goods, seasonally adjusted, rose 0.1 percent in July after a 1.4 percent increase in May.

Split Decision In the Market

(Continued from Page 7)

about to take place in the U.S. economy, so they gear up and buy cyclical and companies highly leveraged to the business cycle. Then we get a period when people decide the U.S. economy is not improving and become convinced it is actually declining. We've been through such two-step steps since this business cycle began in 1982, and it looks like we are about to conclude another.

His bet is that the economy will "muddle through" well into 1986, leading to a "muddling-through" stock market. He called insurance stocks the best sector in the economy. Issues Prudential-Bache recommends are American General, Continental Corp., Combined Insurance, Travelers and Marsh & McLennan.

With Wall Street's crowd noise way down this month, Robert Prechter, editor of the Elliott Wave Theorist, cited an old adage in reference to current stock market momentum: "Never short a dull market."

He added that the wave pattern right now is "the one often seen at the terminus of a correction."

Tenants Prepare to Occupy New Battery Park City

(Continued from Page 7)

many tenants drawn by the lure of working and living downtown.

But trying to fill the World Financial Center has taxed the marketing and financial savvy of its sponsor, Olympia & York, the world's largest privately held real estate developer.

In a tricky environment of climbing commercial vacancies and uncertain interest rates, the Tokyo-based company now has a huge inventory of unrented space in older, downtown buildings in New York City. The company was forced to buy those buildings to entice tenants to new quarters in the World Financial Center.

"When we first started the World Financial Center, we didn't expect to end up buying four million square feet to rent eight million square feet," said Michael Dennis, executive vice president of Olympia & York.

More new skyscrapers are rising on the East River and renovated ones are opening in the heart of Wall Street. Their landlords are aggressively seeking tenants. The specter of Houston's overbuilt downtown eerily haunts Olympia & York, along with other local builders.

Some owners of older downtown Manhattan structures are fearful of the Renaissance Center syndrome, a Detroit phenomenon that saw a huge new waterfront development suck much of the life out of the downtown area. And some urban experts fear that the resources being channeled into Battery Park City will be underutilized until the city's more basic problems, like social turbulence and poor services, are successfully addressed.

In the meantime, they warn, America's glittering downtown structures may be merely frothy icing on the great urban mudpie.

"When we talk to the urban geographers, they paint some pictures of New York that will keep you up at night," said Charles Manzella, Merrill Lynch's vice president for facilities management. He cited poor schools, bad roads and creaky mass transit as lingering problems.

Despite the problems, the World Financial Center is turning out to be the quintessential case study in the way that central business districts are recycling themselves.

The tower — the tallest in a com-

plex of four ornately topped, luxuriously appointed skyscrapers in the World Financial Center — will become the headquarters of American Express. The tenant liked the building so much that it persuaded Olympia & York to sell it all 51 floors. Occupancy begins late next month for the first of 7,000 employees.

When all the workers are assembled in the 2.3 million square feet under the pyramidal roof, American Express said it will have completed the largest corporate move in history. The move from Broad Street and five other downtown locations brings all of its Manhattan offices, except its operations center, under one roof.

At Merrill Lynch, the scenario is familiar. Merrill's downtown Manhattan offices now are scattered among 11 sites. Next year, when most of these sites are closed and Merrill completes the transfer of its 12,000 Manhattan employees to its 3.9 million square feet of office space, it will topple American Ex-

press's young record for large-scale corporate moves.

The brokerage and investment house will occupy 4.2 million square feet in Manhattan, which includes its mail center in lower Manhattan, up from 2.4 million five years ago. And it continues to expand in nearby New Jersey.

The American Express building and the other towers in the World Financial Center are destined for critical acclaim, with their colorful fabric-covered walls, their 27 varieties of marble, the winding grand staircases, the lobbies as huge as the Metropolitan Opera and a glass-enclosed palm tree-lined public space as large as the main room at Grand Central Station.

But the monetary success of Battery Park City and its \$1.5-billion World Financial Center is not nearly as definite.

New York State's Battery Park City Authority seems to be in its shape now, after a decade of what it calls "frustration, financial brinkmanship and uncertainty."

Meyer S. Frucher, the authority's president, predicts that by the time the project's bonds are retired in 2014, Battery Park City will earn a profit for the state of \$3 billion from leases on the land and payments-in-lieu-of-taxes. New York City also stands to gain handsomely. It has the option to take title to the land for \$1 after the bonds are retired.

But the financial outcome for Olympia & York remains uncertain. The company, which operates in 11 other North American cities as well as in Belgium, Britain and France, plunged courageously into the New York market in 1977 during the depths of the city's fiscal despair.

But Battery Park City, from the start, has been a major financial challenge. Built on speculation, without a single tenant signed up in advance, most of the World Financial Center has been financed by banks, including Manufacturers Hanover, Bankers Trust, the Bank of Montreal and the Sunamco Bank. But the last two towers, the ones Merrill Lynch will occupy, were financed with \$500 million borrowed in the volatile commercial paper market.

Real estate experts say Olympia & York's short-term financing could place the company in a predicament similar to the one that faced the real estate investment trusts in the 1970s when those trusts were devastated by steeply rising interest rates. Developers usually finance construction projects with bank loans and get long-term financing from insurance companies or pension funds when the project is built.

Yet Olympia & York now is sitting on dozens of floors of unleased office space in three older buildings in the financial district that it bought from Merrill Lynch, City Investing Co. and American Express.

This shortfall reached \$4,328 billion (in \$29 billion) in the first six months of 1985, up from \$7,362 billion in the corresponding period of 1984.

The plan, to be put to a parliamentary vote in the autumn, hopes to freeze public spending in real terms next year and cut inflation to around 5 percent from the current 8.7 percent, while the economy grows at 3 percent.

(AP, Reuters)

THE EUROMARKETS

Attention Remains on the Primary Market

By Christopher Pizze

Reuters

LONDON — Prices in the secondary Eurobond market were generally slightly higher Wednesday, while trading remained quiet. Attention tended to remain on the primary market, which saw several new issues Wednesday.

The expected \$180-million, 12-year, floating-rate-note issue emerged for Public Power Corp. of Greece. It pays 4 1/2 percent over the three-month London interbank offered rate. The issue was unusual in that for the first year the investor may convert the note into a European Currency Unit floater with identical terms.

The borrower retains the right after the first year to convert the issue into an ECU floater. The note has investor put options in 1993 and 1995 and did not trade actively on the market. The lead manager was Orion Royal Bank Ltd.

Pillsbury Co. issued a \$100-million straight paying 10 1/4 percent a year over eight years and priced at par. Dealers felt that the terms

were a little tight on this issue, although they added that the borrower's name is well regarded in the market.

The bond was lead managed by Credit Suisse First Boston Ltd. and ended on the market at a discount of about 2, around the total fees of 1 1/2 percent.

Security Pacific Australia issued a \$100-million bond guaranteed by Security Pacific Corp. The five-year bond was priced at 100 1/4 and pays 9 1/2 percent.

Some dealers felt there could be some resistance by retail investors to this issue since it breaches the psychological coupon barrier of 10 percent. "It's always risky when you bring a dollar straight paying below 10 percent, but I should imagine it'll go fairly quickly, assuming the secondary market continues to edge up," a trader said.

It was quoted at a discount of about 2, compared with total 1 1/2 percent fees. The lead manager was Salomon Brothers International.

The Japan Development Bank launched a \$100-million bond pay-

ing 10 percent over seven years and priced at 101 1/4. The issue, lead managed by the Long Term Credit Bank of Japan Ltd., ended at a discount of about 1 1/2, compared with the total fees of 1 1/2 percent.

Hong Kong's Mass Transit Railway Corp. entered the ECU market for the first time Wednesday with a 50-million-ECU bond paying 8 1/2 percent over five years and priced at par. It was quoted on the market at a discount of about 1 1/2, around the total fees of 1 1/2 percent. The lead manager was Banque Paribas Capital Markets. Two Canadian-dollar bonds were launched Wednesday, a 75-million-dollar issue for General Motors Acceptance Corp. of Canada, paying 10 1/4 percent a year over five years and priced at 100 1/4 percent, and a seven-year, par-priced, bond paying 10 1/4 percent for Sears Acceptance Co.

The GMACC issue was led by Orion Royal Bank Ltd., while Wood Gundy Inc. led the Sears bond. Both ended at discounts of about 1 1/2, compared with their total 2 percent fees.

Wednesday's OTC Prices

MASDAQ prices as of 3 p.m. New York time.

Via The Associated Press

12 Month	High	Low	Stock	Div. Yld.	100s	High	Low	3 P.M. CHG
19	11	10	ABC T	1.00	100	11 1/4	10 3/4	+ 1/4
20	12	11	ABC T	1.00	100	12 1/4	11 3/4	+ 1/4
21	13	12	ABC T	1.00	100	13 1/4	12 3/4	+ 1/4
22	14	13	ABC T	1.00	100	14 1/4	13 3/4	+ 1/4
23	15	14	ABC T	1.00	100	15 1/4	14 3/4	+ 1/4
24	16	15	ABC T	1.00	100	16 1/4	15 3/4	+ 1/4
25	17	16	ABC T	1.00	100	17 1/4	16 3/4	+ 1/4
26	18	17	ABC T	1.00	100	18 1/4	17 3/4	+ 1/4
27	19	18	ABC T	1.00	100	19 1/4	18 3/4	+ 1/4
28	20	19	ABC T	1.00	100	20 1/4	19 3/4	+ 1/4
29	21	20	ABC T	1.00	100	21 1/4	20 3/4	+ 1/4
30	22	21	ABC T	1.00	100	22 1/4	21 3/4	+ 1/4
31	23	22	ABC T	1.00	100	23 1/4	22 3/4	+ 1/4
32	24	23	ABC T	1.00	100	24 1/4	23 3/4	+ 1/4
33	25	24	ABC T	1.00	100	25 1/4	24 3/4	+ 1/4
34	26	25	ABC T	1.00	100	26 1/4	25 3/4	+ 1/4
35	27	26	ABC T	1.00	100	27 1/4	26 3/4	+ 1/4
36	28	27	ABC T	1.00	100	28 1/4	27 3/4	+ 1/4
37	29	28	ABC T	1.00	100	29 1/4	28 3/4	+ 1/4
38	30	29	ABC T	1.00	100	30 1/4	29 3/4	+ 1/4
39	31	30	ABC T	1.00	100	31 1/4	30 3/4	+ 1/4
40	32	31	ABC T	1.00	100	32 1/4	31 3/4	+ 1/4
41	33	32	ABC T	1.00	100	33 1/4	32 3/4	+ 1/4
42	34	33	ABC T	1.00	100	34 1/4	33 3/4	+ 1/4
43	35	34	ABC T	1.00	100	35 1/4	34 3/4	+ 1/4
44	36	35	ABC T	1.00	100	36 1/4	35 3/4	+ 1/4
45	37	36	ABC T	1.00	100	37 1/4	36 3/4	+ 1/4
46	38	37	ABC T	1.00	100	38 1/4	37 3/4	+ 1/4
47	39	38	ABC T	1.00	100	39 1/4	38 3/4	+ 1/4
48	40	39	ABC T	1.00	100	40 1/4	39 3/4	+ 1/4
49	41	40	ABC T	1.00	100	41 1/4	40 3/4	+ 1/4
50	42	41	ABC T	1.00	100	42 1/4	41 3/4	+ 1/4
51	43	42	ABC T	1.00	100	43 1/4	42 3/4	+ 1/4
52	44	43	ABC T	1.00	100	44 1/4	43 3/4	+ 1/4
53	45	44	ABC T	1.00	100	45 1/4	44 3/4	+ 1/4
54	46	45	ABC T	1.00	100	46 1/4	45 3/4	+ 1/4
55	47	46	ABC T	1.00	100	47 1/4	46 3/4	+ 1/4
56	48	47	ABC T	1.00	100	48 1/4	47 3/4	+ 1/4
57	49	48	ABC T	1.00	100	49 1/4	48 3/4	+ 1/4
58	50	49	ABC T	1.00	100	50 1/4	49 3/4	+ 1/4
59	51	50	ABC T	1.00	100	51 1/4	50 3/4	+ 1/4
60	52	51	ABC T	1.00	100	52 1/4	51 3/4	+ 1/4
61	53	52	ABC T	1.00	100	53 1/4	52 3/4	+ 1/4
62	54	53	ABC T	1.00	100	54 1/4	53 3/4	+ 1/4
63	55	54	ABC T	1.00	100	55 1/4	54 3/4	+ 1/4
64	56	55	ABC T	1.00	100	56 1/4	55 3/4	+ 1/4
65	57	56	ABC T	1.00	100	57 1/4	56 3/4	+ 1/4
66	58	57	ABC T	1.00	100	58 1/4	57 3/4	+ 1/4
67	59	58	ABC T	1.00	100	59 1/4	58 3/4	+ 1/4
68	60	59	ABC T	1.00	100	60 1/4	59 3/4	+ 1/4
69	61	60	ABC T	1.00	100	61 1/4	60 3/4	+ 1/4
70	62	61	ABC T	1.00	100	62 1/4	61 3/4	+ 1/4
71	63	62	ABC T	1.00	100	63 1/4	62 3/4	+ 1/4
72	64	63	ABC T	1.00	100	64 1/4	63 3/4	+ 1/4
73	65	64	ABC T	1.00	100	65 1/4	64 3/4	+ 1/4
74	66	65	ABC T	1.00	100	66 1/4	65 3/4	+ 1/4
75	67	66	ABC T	1.00	100	67 1/4	66 3/4	+ 1/4
76	68	67	ABC T	1.00	100	68 1/4	67 3/4	+ 1/4
77	69	68	ABC T	1.00	100	69 1/4	68 3/4	+ 1/4
78	70	69	ABC T	1.00	100	70 1/4	69 3/4	+ 1/4
79	71	70	ABC T	1.00	100	71 1/4	70 3/4	+ 1/4
80	72	71	ABC T	1.00	100	72 1/4	71 3/4	+ 1/4
81	73	72	ABC T	1.00	100	73 1/4	72 3/4	+ 1/4
82	74	73	ABC T	1.00	100	74 1/4	73 3/4	+ 1/4
83	75	74	ABC T	1.00	100	75 1/4	74 3/4	+ 1/4
84	76	75	ABC T	1.00	100	76 1/4	75 3/4	+ 1/4
85	77	76	ABC T	1.00	100	77 1/4	76 3/4	+ 1/4
86	78	77	ABC T	1.00	100	78 1/4	77 3/4	+ 1/4
87	79	78	ABC T	1.00	100	79 1/4	78 3/4	+ 1/4
88	80	79	ABC T	1.00	100	80 1/4	79 3/4	+ 1/4
89	81	80	ABC T	1.00	100	81 1/4	80 3/4	+ 1/4
90	82	81	ABC T	1.00	100	82 1/4	81 3/4	+ 1/4
91	83	82	ABC T	1.00	100	83 1/4	82 3/4	+ 1/4
92	84	83	ABC T	1.00	100	84 1/4	83 3/4	+ 1/4
93	85	84	ABC T	1.00	100	85 1/4	84 3/4	+ 1/4
94	86	85	ABC T	1.00	100	86 1/4	85 3/4	+ 1/4
95	87	86	ABC T	1.00	100	87 1/4	86 3/4	+ 1/4
96	88	87	ABC T	1.00	100	88 1/4	87 3/4	+ 1/4
97	89	88	ABC T	1.00	100	89 1/4	88 3/4	+ 1/4
98	90	89	ABC T	1.00	100	90 1/4	89 3/4	+ 1/4
99	91	90	ABC T	1.00	100	91 1/4	90 3/4	+ 1/4
1								

BETHLEHEM POSTCARD

Steel City's Musical Hope

By Lindsey Gruson

BETHLEHEM, Pennsylvania—While sneaking through the thick black oak and hemlock forests for a surprise attack on the settlement of Bethlehem in 1755, marauding Indians were panicked by an unearthly sound: the Moravian Trombone Choir announcing the annual Christmas festival. The brass tunes resounding through the woods convinced the Indians that a great spirit was protecting the settlement, and they fled.

Since its founding in 1741 by Moravian missionaries, music has protected, nurtured and given an identity to Bethlehem, which straddles the Lehigh River. "We listened to very fine music in the church," Benjamin Franklin wrote to his wife during a 1756 visit. "Flutes, oboes, French horns and trumpets do accompany the organ."

Now the city that steel put on the industrial map is hoping that music will again make it a haven, this time from the economic ravages that have brought other cities in the region to their knees.

In Musikfest, a nine-day celebration of its musical heritage, the city becomes a giant stage. From noon until nearly midnight, music fills the air, heralding what city officials say is the birth of a new industry in Bethlehem.

"The key issue is economic development," said John W. Trotter, vice president of the Bank of Meridian and chairman of the festival. "This has been a one-industry town since the industrialization of America. But we're replacing the steel industry with a cultural tourism industry."

Jeffrey A. Parks, a local lawyer and music buff, is credited with originating the idea of a festival. "It's a changeover from the industrial economy to a service economy," he said. "Bethlehem was here long before Bethlehem Steel and will be here long after Bethlehem Steel is gone. There's a lot of fascinating history that I'd like to exploit."

The second annual Musikfest, which ended Sunday, attracting more than 300,000 people to almost 450 live performances, from opera to oomp-pah-pah, and from balladeers to brass bands. To top it off, there is the city's renowned Bach choir.

The festival gives the four-

square-block city center, one of the finest examples of colonial German architecture, the flavor of an Ivy League campus at freshman orientation. Cars are barred and families dressed in shorts and T-shirts stroll along the streets. In small groups they visit Brethren House, which was the General Hospital of the Continental Army, and the Sun Inn, where Franklin, George and Martha Washington, John Adams, Lafayette and 17 members of the Continental Congress, among other notables, slept during visits to Bethlehem.

City officials plan to start marketing these and other historical attractions. They hope Musikfest will become the largest of a series of monthly tourist magnets, such as the annual Christmas festival of lights. They have started planning for a visitor center, a 300-room hotel and a convention center.

"People think of this as a dying steel town," James W. Kauffman, who moved to Bethlehem from Ohio four years ago, said at a concert by the folksinger Pete Seeger. "But the festival transforms it. It's a point of pride."

Once a gritty city of smoke-belching mills, coke plants and grimy streets, Bethlehem has suffered many of the hardships typical of cities that relied on heavy industries. It became a former steel center, a former transportation center, a former quarry center, a former iron center. Unemployment climbed, and discouraged young people left.

Unlike many other steel cities, however, Bethlehem has attracted a number of new industries to the Lehigh Valley. The industrial park set up at the edge of town 26 years ago is nearly full. Nonetheless, the decline of what was once a mighty industrial center has shaken the city's self-confidence.

Seeger summed up the feeling when he opened his concert with "John Henry." "My daddy was steel-driving man," Seeger sang. "He laid down his hammer and he died."

Then, however, Seeger summarized the new feelings of hope with his next selection. "When I first came to this land, I was not a wealthy man," he sang. "But the land was sweet and good and I did what I could."

Art Buchwald is on vacation.

Breaking the 'Charlie-Chan-Yellow-Hordes' Mold

By Cynthia Gorney

Washington Post Service

SAN FRANCISCO—Five years ago, with \$10,000 in grant money and a tiny crew of ill-paid Asian-American actors, a 30-year-old Hong Kong immigrant named Wayne Wang filmed an odd, loosely written mystery set in Chinatown. He used borrowed tripods, borrowed lights, a borrowed sound-mixing board and a rented camera that gave him only 10 days to shoot. He edited alone, nights and weekends, in a tiny rented editing room behind a pornographic-movie studio. When his film looked finished, he went out to see about getting it shown to an audience or two.

The San Francisco film festival officials never looked at it. The Chicago film festival turned it down. Even Chinese theater owners stayed away, uneasy about its elliptical references to Chinatown politics.

Then two Manhattan festivals took Wang in. The 90-minute black-and-white 16mm film, "Chan Is Missing," with its ad-libbed lines and its off-kilter camera work and its actors who had never acted before, astonished New York critics.

Wang, who had bought a curate ticket to New York and put up in a friend's Chinatown apartment, became an exceedingly hot item. Producers called him. Agents called him. People he hadn't heard from in 15 years called him. A distributor invited Wang to his office and watched Wang gaze at the photographs on the walls. Bertolucci. Godard. Fassbinder.

"All the great art directors were up there," Wang said. "I was called. 'And he said, you know, 'Do you want your picture up there with the rest of them? I'd like to distribute your movie.' And he's a nice person, and everything. So I said, 'Fine!' " Wang laughed, still delighted by the memory. His laugh is charming, his manner cordial.

His English is pure American, the traces of his Hong Kong British accent ground away by 18 years in the United States. He sits in an office sparsely furnished but placed firmly in the high-rent edges of central San Francisco. When he went to New York last



Director Wang: The "Dim Sum" landscape.

month for the pre-release screenings of his movie "Dim Sum," he got invitation-only screenings and "interview availability" and a Manhattan hotel room, and Ori Pictures picked up the tab.

In "Chan Is Missing," his camera invading restaurant kitchens, community centers and ill-lit one-room apartments, Wang used the device of an unsolved and prismlike search for a missing Chinese man to pull outsiders into the lives of immigrant and American-born Chinese.

His title was a mocking salute to Charlie Chan. His close was a scratchy rendition of "Grant Avenue," the painfully exuberant tourist anthem from "Flower Drum Song." He filmed a milk-swilling bilingual fry cook in a "Samurai Night Fever" T-shirt, a serious graduate student explaining the intricacies of cross-cultural misunderstandings, a disaffected young Vietnam veteran whose epithet-studded jive came straight from Richard Pryor routines.

"Dim Sum" focuses gently and with more precision on a small San Francisco family straddling two cultures.

Not that the Chinese films of Wang's youth created characters of infinite depth and complexity. There were "so many stereotypes that actually Chinese movies themselves perpetuated, too," he said, pointing to "the Bruce Lee heroic mythical figure."

Wang grew up in Hong Kong, the younger of two sons of an import-export businessman who kept close ties to the United States. The boys went to bilingual Catholic schools with the understanding that their university work would be in Britain or America. For Wayne Wang it was northern California, a junior college followed by a private art college in Oakland.

At his first meal with the family he lodged with, the main course was ox tongue with boiled potatoes and cabbage. The principal reaction Wang remembers was panic, but he ate the meal and set out with fervor to embrace the new land, Oakland's and San Francisco's Chinatowns were new worlds to be lived, but he avoided them. He ate a lot of hamburgers, and learned how to make a tuna melt sandwich without burning the outside of the bread. "I was mentally prepared to almost say, 'I'm not Chinese.'"

Four years later, married to a Caucasian woman and thoroughly immersed in California, Wang found himself spending time with the artists and community activists based in San Francisco's Chinatown. His principal work was painting, but abstract experiments in color and form, but he said he always knew film or television would claim him eventually. As he worked on film and slide studies of American images of Chinese men and women, Wang began what he described as "a cycle where I went overboard to being Chinese."

He moved to a San Francisco apartment near Chinatown, with Chinese-American roommates (his marriage broke up). He bought Chinese-language newspapers and struggled to remember the characters he had forgotten. He worked in a Chinatown community center teaching immigrants to speak English and make sense of the new culture.

His roommates and other American-born Chinese cooked dinners their parents had pre-

pared—beef with broccoli, meat loaf with salted fish. They worked in Chinatown. They spoke Chinese much of the time. They argued questions of identity, assimilation, ethnic loyalty. This was the community Wang wanted to describe in film.

A story began taking shape when a middle-aged Taiwanese immigrant vanished one day from the community center. In 1979, with an American Film Institute grant for a picture about taxi drivers, Wang set to work.

The younger of his two drivers became the bitter, intriguing character of Steve—a "kind of black-influenced younger character," Wang said. Wang had watched the affectionate boys picked up by Chinese boys from some of the toughest high schools; he asked a local actor, Marc Hayashi, to play Steve that way. Wang was not particularly bothered by the fact that Hayashi's background is Japanese. Instantly seems to reign when Wang chooses his actors; Laurence Chew, the star of "Dim Sum," is a young Chinese-American woman whose sole acting experience was a small role in "Chan Is Missing." Much of the new picture was shot in Chew's house. Her movie mother, Tam, the matriarch battling for tradition, is also her real mother. Kim Chew, who would occasionally hold up shooting to finish cooking dinner.

The other female lead in this movie, the elegant woman who announces with some irritation that all Chinese men are about after marriage is to Betamax, a celebrated Hong Kong film actress and Wang's second wife, Cora Miao. They met when Wang asked her to appear in "Dim Sum."

Wang said he had wanted for years to direct an updated, culturally truer remake of "Flower Drum Song," Hollywood's one sweet but excruciatingly hokey treatment of the American-Chinese effort to reconcile tradition with the new land. Now he probably will be able to.

"I have a real love-hate relationship with that movie," he said with a broad grin. "I find the movie very corny and I have great laughs off it, and also parts of the movie are very moving to me."

Lennon Lingo, Ownership Disputed, Won't Be Sold

A white Mercedes limousine made for John Lennon in 1970 has been withdrawn from the auction block because a member of the Simpsons, Mary Wilson, claimed in court that it was hers. Susan Robinson, a spokeswoman for Sobhy's, said Wednesday that the limousine had been scheduled to be part of a sale of rock 'n' roll memorabilia Thursday in London. Sobhy's had estimated that it would bring \$150,000 (about \$210,000). It was not revealed how ownership of the car came to be in dispute.

MGM-UA has tentatively agreed to add a disclaimer to its "Year of the Dragon," a graphic movie about crime in New York's Chinatown that has been heavily criticized by Asian groups, the Los Angeles Times reported Wednesday. The disclaimer would be designed to deflect claims that the Michael Cimino film is racist. The Times said the wording had yet to be worked out. Asian-Americans have picketed "Year of the Dragon" since it opened Aug. 16. Robert Daley, who wrote the book from which the movie was adapted, supported the protests, saying that when he read the script taken from his novel, "I wanted to cry."

Lester Maddox jubilantly declared in Marietta, Georgia, that tests showed he did not have acquired immune deficiency syndrome, despite his exposure to the AIDS virus at a cancer clinic in the Bahamas. The former Georgia governor, who is 69, was treated at the Immunology Research Center for cancer of the prostate, which he said was now in remission. The center, closed in July by the Bahamian government, recommended macrobiotic diets and injections of a blood-derived substance.

Harper's Bazaar magazine says Linda Evans and Catherine O'Hara of the TV series "Dynasty" are among the 10 most beautiful women in the United States. Other women named in the magazine Top 10 the singer Diana Ross, the model Cheryl Tiegs, the TV personality Barbara Walters and the actresses Jaclyn Smith, Isabella Rossellini, Molly Ringwald, Connie Selleccar and Rebecca De Mornay.

ANNOUNCEMENTS

SUBSCRIBE

to the

INTERNATIONAL

HERALD

TRIBUNE

AND SAVE.

As a new subscriber to the International Herald Tribune, you can save up to half the newsprint price, depending on your country of residence.

For details on the special introductory offer, write to:

IFT Subscriptions Department, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Or call Paris 747-07-39.

IN ASIA AND PACIFIC

contact our local distributor or:

International Herald Tribune, 1005 Tel Sang Commercial Building, 24-34 Hong Kong Road, HONG KONG. Tel: HK 3-284726.

AMERICAN PHYSICIAN

AND SURGEON

JOSEPH A. BONACORSI M.D. AMERICAN PHYSICIAN CENTER, Via N. Dorelli 7, Lucca, Italy. Phone 0583-38520. Hours by appointment: Mon, Wed, Fri, 10-12 a.m.; Tue, 6-8 p.m.

ALCOHOLICS ANONYMOUS

in English, Paris 634 39 63. Rome 634 03 20.

HAVE A NICE DAY! BOHEL

Have a nice day! Bohel.

PERSONALS

ROBERT H. GREEN JR. Contact brother or William Green contact.

MOVING

ALLIED

VAN LINES INTL

USA

Allied Van Lines Int'l Corp. (0101) 312-481-8100. Office: 25th Ave. & Roosevelt Rd., Brooklyn, New York 11213 USA.

Or call our Agency offices:

PARIS Desbordes International (01) 343 23 64.

FRANKFURT Desbordes Int'l Moving (069) 250046.

DUSSELDORF/RATINGEN (02109) 45223 L.M.S.

MUNCH (089) 142244.

LONDON (01) 953 3436.

Call for Allied's free estimate.

INTERDEAN

WHO ELSE FOR YOUR NEXT INTERNATIONAL MOVE

FOR A FREE ESTIMATE CALL:

AMSTERDAM (020) 69 92 34.

ATHENS (01) 961 12 12.

BARCELONA (03) 622211.

BIRMINGHAM (021) 516633.

BREITENBURG (0421) 70291.

CANAL (021) 70291.

CHICAGO (0312) 41 41 41.

COLOGNE (021) 70291.

DUSSELDORF (021) 70291.

FRANKFURT (069) 1415056.

GENEVA (022) 31054900.

HAMBURG (043) 302222.

PARIS (01) 343 23 64.

CONTINEX: Small moves, cars, packages, worldwide. Call Charles Paris 26 18 11, Peter Oswald.

REAL ESTATE FOR SALE

CAYMAN ISLANDS

LEADING FINANCIAL CENTER

NO FOREIGN INVESTORS. Financial property investments from US\$50,000. High returns. Reply for information.

HORIZON S.A., P.O. Box 222, CH-1211 Geneva 12, Switzerland.

FRENCH PROVINCES

HILLS OF MOUGINS, magnificent stone-built country house with 100 acres, golf level, swimming, 5 acres (20,000 sq ft) of beautiful garden including lawns, fruit orchards, olive trees & tall cypresses trees. 200 acres, north coast, just 30 miles & 10 minutes' drive from the sea & 10 minutes' drive from the airport. Superb setting in complete calm with only 30 miles from the sea. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

COTE D'AZUR, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first class condition throughout. Large level garden with pool, tennis court, etc. Space available for tennis court and pool. Beautiful quiet setting with good views. Call for details on 03 38 19 19 - 5311, 47 La Croix, 06400 Cannes.

DEAUVILLE, NEAR GRASSE

superb 17th century country house, full of character and in first